

# **China Steel Corporation and Subsidiaries**

**Consolidated Financial Statements for the  
Six Months Ended June 30, 2025 and 2024 and  
Independent Auditors' Review Report**

## INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders  
China Steel Corporation

### Introduction

We have reviewed the accompanying consolidated balance sheets of China Steel Corporation (the "Corporation") and its subsidiaries as of June 30, 2025 and 2024, the consolidated statements of comprehensive income for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the six months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### Scope of Review

We conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Corporation and its subsidiaries as of June 30, 2025 and 2024, and of its consolidated financial performance for the three months ended June 30, 2025 and 2024, and its consolidated financial performance, and its consolidated cash flows for the six months ended June 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Jui-Hsuan Hsu and Jr-Shian Ke.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

August 8, 2025

Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.*

# CHINA STEEL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2025		December 31, 2024		June 30, 2024	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents (Note 6)	\$ 21,774,542	3	\$ 17,828,047	3	\$ 20,855,582	3
Financial assets at fair value through profit or loss - current (Note 7)	4,044,038	1	4,252,624	1	3,481,885	-
Financial assets at fair value through other comprehensive income - current (Note 8)	7,724,987	1	9,111,712	1	9,333,090	1
Financial assets for hedging - current (Note 9)	1,372,258	-	3,674,587	1	5,402,258	1
Contract assets - current (Note 24)	8,096,587	1	9,180,905	1	9,369,669	1
Notes receivable (Note 10)	1,358,185	-	1,646,347	-	1,417,760	-
Accounts receivable, net (Note 10)	11,046,781	2	14,118,383	2	11,057,126	2
Accounts receivable - related parties (Notes 10 and 30)	54,716	-	66,297	-	72,106	-
Other receivables (Note 30)	2,659,614	-	1,811,987	-	1,878,187	-
Current tax assets	88,538	-	105,690	-	56,857	-
Inventories (Notes 11 and 31)	94,241,234	14	107,682,955	15	117,571,770	17
Non-current assets held for sale	-	-	-	-	23,098	-
Other financial assets - current (Notes 13 and 31)	20,486,097	3	18,275,667	3	17,061,498	3
Other current assets	4,411,712	1	5,143,302	1	5,153,558	1
<b>Total current assets</b>	<b>177,359,289</b>	<b>26</b>	<b>192,898,503</b>	<b>28</b>	<b>202,734,444</b>	<b>29</b>
<b>NONCURRENT ASSETS</b>						
Financial assets at fair value through profit or loss - noncurrent (Note 7)	562,130	-	802,175	-	749,273	-
Financial assets at fair value through other comprehensive income - noncurrent (Note 8)	42,502,699	6	46,292,740	7	51,513,302	7
Financial assets at amortized cost - noncurrent	20,000	-	20,000	-	20,000	-
Financial assets for hedging - noncurrent (Note 9)	619,350	-	1,257,410	-	1,633,754	-
Investments accounted for using the equity method (Note 12)	13,314,449	2	14,705,994	2	14,183,708	2
Property, plant and equipment (Notes 14 and 31)	397,437,995	59	397,633,498	57	382,022,161	55
Right-of-use assets (Notes 15 and 31)	12,186,125	2	12,625,727	2	12,372,230	2
Investment properties (Notes 16 and 31)	10,279,580	2	10,035,899	2	9,818,574	1
Intangible assets	1,102,672	-	1,136,536	-	1,191,809	-
Deferred tax assets	12,859,953	2	11,615,773	2	10,565,181	2
Refundable deposits	738,983	-	594,345	-	521,949	-
Other financial assets - noncurrent (Notes 13 and 31)	2,768,072	1	3,041,404	-	2,896,652	1
Other noncurrent assets	2,403,437	-	2,399,333	-	2,840,660	1
<b>Total noncurrent assets</b>	<b>496,795,445</b>	<b>74</b>	<b>502,160,834</b>	<b>72</b>	<b>490,329,253</b>	<b>71</b>
<b>TOTAL</b>	<b>\$ 674,154,734</b>	<b>100</b>	<b>\$ 695,059,337</b>	<b>100</b>	<b>\$ 693,063,697</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Short-term borrowings and bank overdraft (Notes 17 and 31)	\$ 32,711,692	5	\$ 36,169,577	5	\$ 40,681,062	6
Short-term bills payable (Note 17)	37,304,681	6	25,608,233	4	49,722,538	7
Financial liabilities at fair value through profit or loss - current (Note 7)	249	-	1,055	-	324	-
Financial liabilities for hedging - current (Note 9)	391,176	-	1,120,637	-	677,724	-
Contract liabilities - current (Note 24)	6,896,045	1	5,120,893	1	4,870,992	1
Notes payable	568,143	-	609,229	-	705,466	-
Accounts payable (Note 19)	12,778,503	2	18,189,691	3	16,905,925	2
Accounts payable - related parties (Notes 19 and 30)	43,149	-	357,633	-	105,411	-
Other payables (Notes 20 and 30)	29,458,367	4	26,948,594	4	25,770,067	4
Current tax liabilities	1,036,749	-	1,121,303	-	1,319,232	-
Provisions - current (Note 21)	4,375,482	1	3,505,488	-	5,034,667	1
Lease liabilities - current (Note 15)	1,034,744	-	1,027,307	-	1,056,880	-
Current portion of bonds payable (Note 18)	9,912,189	1	13,536,337	2	10,552,970	2
Current portion of long-term bank borrowings (Notes 17 and 31)	5,599,380	1	10,871,064	2	3,726,256	1
Refund liabilities - current	1,308,707	-	1,245,936	-	1,316,355	-
Other current liabilities	1,496,241	-	1,510,307	-	1,790,853	-
<b>Total current liabilities</b>	<b>144,915,497</b>	<b>21</b>	<b>146,943,284</b>	<b>21</b>	<b>164,236,722</b>	<b>24</b>
<b>NONCURRENT LIABILITIES</b>						
Financial liabilities for hedging - noncurrent (Note 9)	468,634	-	-	-	245,834	-
Contract liabilities - noncurrent (Note 24)	44,601	-	45,116	-	43,089	-
Bonds payable (Note 18)	58,430,133	9	54,134,815	8	55,993,146	8
Long-term bank borrowings (Notes 17 and 31)	71,002,269	11	71,419,133	10	63,880,342	9
Long-term bills payable (Note 17)	44,736,618	7	49,227,680	7	33,638,964	5
Provisions - noncurrent (Note 21)	1,647,328	-	1,629,694	-	940,040	-
Deferred tax liabilities	15,312,723	2	14,918,196	2	14,362,805	2
Lease liabilities - noncurrent (Note 15)	9,623,308	1	9,824,040	2	10,057,051	1
Net defined benefit liabilities	4,054,545	1	4,259,939	1	5,370,496	1
Other noncurrent liabilities	1,208,945	-	1,171,546	-	1,177,052	-
<b>Total noncurrent liabilities</b>	<b>206,529,104</b>	<b>31</b>	<b>206,630,159</b>	<b>30</b>	<b>185,708,819</b>	<b>26</b>
<b>Total liabilities</b>	<b>351,444,601</b>	<b>52</b>	<b>353,573,443</b>	<b>51</b>	<b>349,945,541</b>	<b>50</b>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 23)</b>						
Share capital						
Ordinary shares	157,348,610	23	157,348,610	23	157,348,610	23
Preference shares	382,680	-	382,680	-	382,680	-
Total share capital	157,731,290	23	157,731,290	23	157,731,290	23
Capital surplus	41,053,537	6	41,082,914	6	40,786,794	6
Retained earnings						
Legal reserve	75,163,029	11	74,847,259	11	74,847,259	11
Special reserve	29,343,847	4	26,912,231	4	26,913,220	4
Unappropriated earnings	6,675,180	1	17,127,981	2	16,316,578	2
Total retained earnings	111,182,056	16	118,887,471	17	118,077,057	17
Other equity	(10,695,189)	(1)	(3,478,031)	(1)	1,996,406	-
Treasury shares	(13,118,233)	(2)	(12,923,473)	(2)	(12,923,473)	(2)
<b>Total equity attributable to owners of the Corporation</b>	<b>286,153,461</b>	<b>42</b>	<b>301,300,171</b>	<b>43</b>	<b>305,668,074</b>	<b>44</b>
<b>NON-CONTROLLING INTERESTS</b>	<b>36,556,672</b>	<b>6</b>	<b>40,185,723</b>	<b>6</b>	<b>37,450,082</b>	<b>6</b>
<b>Total equity</b>	<b>322,710,133</b>	<b>48</b>	<b>341,485,894</b>	<b>49</b>	<b>343,118,156</b>	<b>50</b>
<b>TOTAL</b>	<b>\$ 674,154,734</b>	<b>100</b>	<b>\$ 695,059,337</b>	<b>100</b>	<b>\$ 693,063,697</b>	<b>100</b>

The accompanying notes are an integral part of the consolidated financial statements.

# CHINA STEEL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUES (Notes 24, 30 and 35)	\$ 85,096,705	100	\$ 94,572,214	100	\$ 168,266,928	100	\$ 188,326,130	100
OPERATING COSTS (Notes 11,25 and 30)	<u>84,517,594</u>	<u>99</u>	<u>89,807,625</u>	<u>95</u>	<u>163,083,845</u>	<u>97</u>	<u>179,454,680</u>	<u>95</u>
GROSS PROFIT	<u>579,111</u>	<u>1</u>	<u>4,764,589</u>	<u>5</u>	<u>5,183,083</u>	<u>3</u>	<u>8,871,450</u>	<u>5</u>
OPERATING EXPENSES								
Selling and marketing expenses	1,018,074	1	1,075,261	1	1,972,529	1	2,138,764	1
General and administrative expenses	1,615,471	2	1,775,768	2	3,355,935	2	3,481,795	2
Research and development expenses	560,445	1	594,398	1	1,102,611	1	1,163,474	1
Expected credit loss (reversed)	<u>378</u>	<u>-</u>	<u>14,746</u>	<u>-</u>	<u>(4,514)</u>	<u>-</u>	<u>14,457</u>	<u>-</u>
Total operating expenses	<u>3,194,368</u>	<u>4</u>	<u>3,460,173</u>	<u>4</u>	<u>6,426,561</u>	<u>4</u>	<u>6,798,490</u>	<u>4</u>
PROFIT (LOSS) FROM OPERATIONS	<u>(2,615,257)</u>	<u>(3)</u>	<u>1,304,416</u>	<u>1</u>	<u>(1,243,478)</u>	<u>(1)</u>	<u>2,072,960</u>	<u>1</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 25)	328,927	-	488,219	1	587,215	-	742,705	1
Other income (Notes 25 and 30)	806,415	1	998,818	1	1,203,284	1	1,762,534	1
Other gains and losses (Note 25)	32,789	-	155,630	-	312,603	-	373,368	-
Finance costs (Note 25)	(1,286,030)	(1)	(951,168)	(1)	(2,532,032)	(1)	(1,869,401)	(1)
Share of the profit of associates	<u>47,299</u>	<u>-</u>	<u>23,924</u>	<u>-</u>	<u>104,777</u>	<u>-</u>	<u>416,220</u>	<u>-</u>
Total non-operating income and expenses	<u>(70,600)</u>	<u>-</u>	<u>715,423</u>	<u>1</u>	<u>(324,153)</u>	<u>-</u>	<u>1,425,426</u>	<u>1</u>
PROFIT (LOSS) BEFORE INCOME TAX	(2,685,857)	(3)	2,019,839	2	(1,567,631)	(1)	3,498,386	2
INCOME TAX EXPENSE (BENEFIT) (Notes 4 and 26)	<u>(368,696)</u>	<u>-</u>	<u>379,597</u>	<u>-</u>	<u>(64,292)</u>	<u>-</u>	<u>726,566</u>	<u>1</u>
NET PROFIT (LOSS) FOR THE PERIOD	<u>(2,317,161)</u>	<u>(3)</u>	<u>1,640,242</u>	<u>2</u>	<u>(1,503,339)</u>	<u>(1)</u>	<u>2,771,820</u>	<u>1</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 23 and 26)								
Items that will not be reclassified subsequently to profit or loss								
Unrealized gains and losses on investments in equity instruments designated as at fair value through other comprehensive income	(3,301,678)	(4)	736,118	1	(3,391,509)	(2)	1,538,820	1

(Continued)

# CHINA STEEL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Gains and losses on hedging instruments	\$ (253,847)	-	\$ (269,756)	-	\$ (142,530)	-	\$ (267,498)	-
Share of the other comprehensive income (loss) of associates	(97,316)	-	13,741	-	15,088	-	(2,639)	-
Income tax benefit (expense) relating to items that will not be reclassified subsequently to profit or loss	(9,754)	-	41,798	-	(27,373)	-	557,349	-
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translating foreign operations	(6,054,178)	(7)	1,216,896	1	(4,948,851)	(3)	2,130,320	1
Unrealized gains and losses on investments in debt instruments designated as at fair value through other comprehensive income	(11,642)	-	716	-	(9,700)	-	3,126	-
Gains and losses on hedging instruments	(447,680)	(1)	266,293	-	(790,533)	(1)	1,016,914	1
Share of the other comprehensive income (loss) of associates	(330,992)	-	(138,485)	-	(373,899)	-	247,803	-
Income tax benefit (expense) relating to items that may be reclassified subsequently to profit or loss	140,034	-	(12,449)	-	125,657	-	(54,650)	-
Other comprehensive income (loss) for the period, net of income tax	(10,367,053)	(12)	1,854,872	2	(9,543,650)	(6)	5,169,545	3
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>	<b>\$ (12,684,214)</b>	<b>(15)</b>	<b>\$ 3,495,114</b>	<b>4</b>	<b>\$ (11,046,989)</b>	<b>(7)</b>	<b>\$ 7,941,365</b>	<b>4</b>
<b>NET PROFIT (LOSS) ATTRIBUTABLE TO:</b>								
Owners of the Corporation	\$ (1,901,721)	(2)	\$ 1,324,289	1	\$ (1,658,506)	(1)	\$ 1,964,902	1
Non-controlling interests	(415,440)	(1)	315,953	1	155,167	-	806,918	-
	<u>\$ (2,317,161)</u>	<u>(3)</u>	<u>\$ 1,640,242</u>	<u>2</u>	<u>\$ (1,503,339)</u>	<u>(1)</u>	<u>\$ 2,771,820</u>	<u>1</u>
<b>TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:</b>								
Owners of the Corporation	\$ (10,767,871)	(13)	\$ 2,792,165	3	\$ (9,718,540)	(6)	\$ 6,074,617	3
Non-controlling interests	(1,916,343)	(2)	702,949	1	(1,328,449)	(1)	1,866,748	1
	<u>\$ (12,684,214)</u>	<u>(15)</u>	<u>\$ 3,495,114</u>	<u>4</u>	<u>\$ (11,046,989)</u>	<u>(7)</u>	<u>\$ 7,941,365</u>	<u>4</u>

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# CHINA STEEL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
EARNINGS (LOSS) PER SHARE (Note 27)								
Basic	\$ (0.12)		\$ 0.09		\$ (0.11)		\$ 0.13	
Diluted	\$ (0.12)		\$ 0.09		\$ (0.11)		\$ 0.13	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

# CHINA STEEL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Equity Attributable to Owners of the Corporation													
	Other Equity											Total Equity Attributable to Owners of the Corporation	Non-controlling Interests	Total Equity
	Share Capital			Retained Earnings			Exchange Differences on Translating Foreign Operations	Unrealized Gains and Losses on Financial Assets at Fair Value Through Other Comprehensive Income	Gains and Losses on Hedging Instruments	Total Other Equity	Treasury Shares			
Ordinary Shares	Preference Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings									
BALANCE ON JANUARY 1, 2024	\$ 157,348,610	\$ 382,680	\$ 40,688,818	\$ 74,683,304	\$ 26,913,635	\$ 19,642,513	\$ (6,296,189)	\$ 273,982	\$ 4,523,877	\$ (1,498,330)	\$ (12,394,740)	\$ 305,766,490	\$ 36,485,008	\$ 342,251,498
Appropriation of 2023 earnings (Note 23)														
Legal reserve	-	-	-	163,955	-	(163,955)	-	-	-	-	-	-	-	-
Cash dividends to ordinary shareholders														
- NTS0.35 per share	-	-	-	-	-	(5,454,701)	-	-	-	-	-	(5,454,701)	-	(5,454,701)
Cash dividends to preference shareholders - NTS1.40 per share	-	-	-	-	-	(53,575)	-	-	-	-	-	(53,575)	-	(53,575)
Reversal of special reserve	-	-	-	-	(415)	415	-	-	-	-	-	-	-	-
Net profit for the six months ended June 30, 2024	-	-	-	-	-	1,964,902	-	-	-	-	-	1,964,902	806,918	2,771,820
Other comprehensive income (loss) for the six months ended June 30, 2024, net of income tax	-	-	-	-	-	(3)	1,954,652	1,796,882	358,184	4,109,718	-	4,109,715	1,059,830	5,169,545
Total comprehensive income for the six months ended June 30, 2024	-	-	-	-	-	1,964,899	1,954,652	1,796,882	358,184	4,109,718	-	6,074,617	1,866,748	7,941,365
Buy-back of ordinary shares	-	-	-	-	-	-	-	-	-	-	(333,972)	(333,972)	-	(333,972)
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(901,674)	(901,674)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	614,982	-	(614,982)	-	(614,982)	-	-	-	-
Adjustment of other equity	-	-	97,976	-	-	(234,000)	-	-	-	-	(194,761)	(330,785)	-	(330,785)
BALANCE ON JUNE 30, 2024	\$ 157,348,610	\$ 382,680	\$ 40,786,794	\$ 74,847,259	\$ 26,913,220	\$ 16,316,578	\$ (4,341,537)	\$ 1,455,882	\$ 4,882,061	\$ 1,996,406	\$ (12,923,473)	\$ 305,668,074	\$ 37,450,082	\$ 343,118,156
BALANCE ON JANUARY 1, 2025	\$ 157,348,610	\$ 382,680	\$ 41,082,914	\$ 74,847,259	\$ 26,912,231	\$ 17,127,981	\$ (4,813,798)	\$ (3,446,289)	\$ 4,782,056	\$ (3,478,031)	\$ (12,923,473)	\$ 301,300,171	\$ 40,185,723	\$ 341,485,894
Appropriation of 2024 earnings (Note 23)														
Legal reserve	-	-	-	315,770	-	(315,770)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	2,431,770	(2,431,770)	-	-	-	-	-	-	-	-
Cash dividends to ordinary shareholders														
- NTS 0.33 per share	-	-	-	-	-	(5,143,004)	-	-	-	-	-	(5,143,004)	-	(5,143,004)
Cash dividends to preference shareholders - NTS1.40 per share	-	-	-	-	-	(53,575)	-	-	-	-	-	(53,575)	-	(53,575)
Reversal of special reserve	-	-	-	-	(154)	154	-	-	-	-	-	-	-	-
Net profit (loss) for the six months ended June 30, 2025	-	-	-	-	-	(1,658,506)	-	-	-	-	-	(1,658,506)	155,167	(1,503,339)
Other comprehensive income (loss) for the six months ended June 30, 2025, net of income tax	-	-	-	-	-	69	(4,041,070)	(3,532,179)	(486,854)	(8,060,103)	-	(8,060,034)	(1,483,616)	(9,543,650)
Total comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	-	(1,658,437)	(4,041,070)	(3,532,179)	(486,854)	(8,060,103)	-	(9,718,540)	(1,328,449)	(11,046,989)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	(36,424)	-	-	(2,406)	-	-	-	-	-	(38,830)	-	(38,830)
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(2,300,602)	(2,300,602)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	(842,945)	-	842,945	-	842,945	-	-	-	-
Adjustment of other equity	-	-	7,047	-	-	(5,048)	-	-	-	-	(194,760)	(192,761)	-	(192,761)
BALANCE ON JUNE 30, 2025	\$ 157,348,610	\$ 382,680	\$ 41,053,537	\$ 75,163,029	\$ 29,343,847	\$ 6,675,180	\$ (8,854,868)	\$ (6,135,523)	\$ 4,295,202	\$ (10,695,189)	\$ (13,118,233)	\$ 286,153,461	\$ 36,556,672	\$ 322,710,133

The accompanying notes are an integral part of the consolidated financial statements.



# CHINA STEEL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit (loss) before income tax	\$ (1,567,631)	\$ 3,498,386
Adjustments for:		
Depreciation expense	16,557,832	15,802,512
Amortization expense	78,672	92,165
Expected credit loss recognized (reversed)	(4,514)	14,457
Net gain on financial assets and liabilities at fair value through profit or loss	(61,131)	(98,852)
Finance costs	2,532,032	1,869,401
Interest income	(587,215)	(742,705)
Dividends income	(855,226)	(1,431,673)
Share of the profit of associates	(69,178)	(398,425)
Gain on disposal of property, plant and equipment	(32,257)	(16,017)
Gain on disposal of investments	(33,029)	(26,344)
Write-down (reversal) of inventories	(51,008)	494,800
Impairment losses recognized on non-financial assets	-	253,058
Recognition (reversal) of provisions	906,492	(1,137,559)
Others	(47,829)	(7,449)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(83,907)	336,927
Financial assets for hedging	2,169,247	427,191
Contract assets	1,122,574	(590,468)
Notes receivable	288,162	689,281
Accounts receivable	3,085,741	(429,877)
Accounts receivable - related parties	11,581	78,482
Other receivables	(526,191)	(230,671)
Inventories	13,450,365	2,269,986
Other current assets	750,586	(299,051)
Financial liabilities for hedging	(106,270)	(75,279)
Contract liabilities	1,774,637	1,001,421
Notes payable	(41,086)	(414,689)
Accounts payable	(5,411,188)	(312,523)
Accounts payable - related parties	(314,484)	16,632
Other payables	88,487	252,286
Provisions	(26,167)	(54,856)
Other current liabilities	(14,066)	324,315
Net defined benefit liabilities	(205,394)	(143,048)
Refund liabilities	62,771	(297,547)
Cash generated from operations	32,841,408	20,714,267
Income taxes paid	(754,479)	(1,408,083)
Net cash generated from operating activities	32,086,929	19,306,184
		(Continued)

# CHINA STEEL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2025	2024
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	\$ (2,869,588)	\$ (3,236,230)
Proceeds from disposal of financial assets at fair value through other comprehensive income	3,997,170	3,392,577
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	70,652
Acquisition of financial assets at fair value through profit or loss	(1,555,604)	(1,561,906)
Proceeds from disposal of financial assets at fair value through profit or loss	2,036,686	1,508,180
Derecognition of financial liabilities for hedging	(255,641)	-
Proceeds from disposal of investments accounted for using the equity method	9,562	45,097
Acquisition of property, plant and equipment	(20,514,186)	(19,958,172)
Proceeds from disposal of property, plant and equipment	39,197	24,501
Decrease (increase) in refundable deposits	(163,634)	111,871
Acquisition of intangible assets	(28,434)	(38,986)
Acquisition of investment properties	(278,105)	-
Increase in other financial assets	(1,937,098)	(1,024,215)
Decrease in other noncurrent assets	12,332	72,525
Interest received	649,877	564,436
Dividends received from associates	455,254	511,894
Dividends received from others	563,019	1,344,484
Net cash used in investing activities	(19,839,193)	(18,173,292)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	110,637,557	166,960,316
Repayments of short-term borrowings	(113,143,337)	(159,332,249)
Proceeds from short-term bills payable	58,899,862	90,935,915
Repayments of short-term bills payable	(47,203,414)	(104,159,176)
Proceeds from bonds payable	9,300,000	5,970,318
Repayments of bonds payable	(8,625,000)	(10,125,000)
Proceeds from long-term bank borrowings	52,940,250	45,139,492
Repayments of long-term bank borrowings	(57,981,518)	(35,466,578)
Proceeds from long-term bills payable	3,008,057	16,088,146
Repayments of long-term bills payable	(7,499,120)	(7,149,446)
Repayments of principal of lease liabilities	(541,373)	(632,266)
Increase (decrease) in other noncurrent liabilities	37,399	(22,857)
Dividends paid to owners of the Corporation	(2,887)	(7,342)
Payments for buy-back of ordinary shares	-	(333,972)
Acquisition of additional interests in subsidiary	(352,160)	(216,041)

(Continued)

# CHINA STEEL CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2025	2024
Partial disposal of interests in subsidiaries without loss of control	\$ 40,556	\$ -
Interest paid	(2,758,110)	(2,511,723)
Decrease in non-controlling interests	<u>(1,948,884)</u>	<u>(922,034)</u>
Net cash generated from (used in) financing activities	<u>(5,192,122)</u>	<u>4,215,503</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(2,581,706)</u>	<u>(5,672)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,473,908	5,342,723
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>15,065,137</u>	<u>10,919,515</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 19,539,045</u>	<u>\$ 16,262,238</u>
Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets as of June 30, 2025 and 2024:		
Cash and cash equivalents in the consolidated balance sheets	\$ 21,774,542	\$ 20,855,582
Bank overdraft	<u>(2,235,497)</u>	<u>(4,593,344)</u>
Cash and cash equivalents in the consolidated statements of cash flows	<u>\$ 19,539,045</u>	<u>\$ 16,262,238</u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

# CHINA STEEL CORPORATION AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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### 1. GENERAL INFORMATION

China Steel Corporation (the “Corporation”) was incorporated on December 3, 1971. It manufactures and sells steel products and engages in mechanical, communications, and electrical engineering.

The shares of the Corporation and its subsidiaries, including China Steel Structure Co., Ltd., China Steel Chemical Corporation, CHC Resources Corporation, China Ecotek Corporation and Chung Hung Steel Corporation, have been listed on the Taiwan Stock Exchange. The shares of the subsidiary Thintech Materials Technology Co., Ltd. have been traded on the Taipei Exchange. The subsidiary Dragon Steel Corporation has issued shares to the public.

As of June 30, 2025 the Ministry of Economic Affairs (MOEA), Republic of China owned 20 % of the Corporation’s issued shares.

The consolidated financial statements are presented in the Corporation’s functional currency, the New Taiwan dollars.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation’s board of directors and authorized for issue on August 8, 2025.

### 3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Corporation and its subsidiaries’ accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB</b>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note 1)

Note 1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025.

As of the date the consolidated financial statements were authorized for issue, the Corporation and its subsidiaries are continuously assessing the possible impact of the application of the amendments on the Corporation and its subsidiaries' financial position and financial performance.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

<b><u>New, Amended and Revised Standards and Interpretations</u></b>	<b><u>Effective Date Announced by IASB (Note 1)</u></b>
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"- the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

#### **IFRS 18 "Presentation and Disclosure in Financial Statements"**

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Corporation and its subsidiaries shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Corporation and its subsidiaries shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Corporation and its subsidiaries labels items as "other" only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Corporation and its subsidiaries as a whole, the Corporation and its subsidiaries shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Corporation and its subsidiaries are continuously assessing the other impacts of the above amended standards and interpretations on the Corporation and its subsidiaries' financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

For readers' convenience, the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the ROC. If inconsistencies arise between the English version and the Chinese version or if differences arise in the interpretations between the two versions, the Chinese version of the consolidated financial statements shall prevail.

##### a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. The consolidated financial statements do not present full disclosures required for a complete set of IFRS Accounting Standards annual financial statements.

##### b. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and the entities controlled by the Corporation (i.e. its subsidiaries).

The consolidated entities were as follows:

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			June 30, 2025	December 31, 2024	June 30, 2024	
China Steel Corporation	Dragon Steel Corporation (DSC)	Hot-rolled coils, H beams, billets, flat steels	100	100	100	
	Gains Investment Corporation (GIC)	General investment	100	100	100	
	China Steel Express Corporation (CSE)	Raw material shipping services and ship leasing	100	100	100	
	C.S.Aluminium Corporation (CSAC)	Production and trading of aluminum products and other non-ferrous metal products	100	100	100	
	China Prosperity Development Corporation (CPDC)	Development of real estate	100	100	100	
	China Steel Asia Pacific Holdings Pte Ltd (CSAP)	Holding and investment	100	100	100	
	Chung Hung Steel Corporation (CHS)	Manufacture and sale of steel products	41	41	41	Refer to 2) below
	China Steel Chemical Corporation (CSCC)	Manufacture of coal chemicals and specialty chemicals, and production and sale of anode materials and carbon materials	29	29	29	Refer to 1) below
	China Steel Global Trading Corporation (CSGT)	Sales agent and trading of steel products	100	100	100	
	CHC Resources Corporation (CHC)	Manufacture and sale of GBFS powder and GBFS cement, air-cooled BFS and BOFS, recycling of resources	20	20	20	Direct and indirect ownerships amounted to 36%, and refer to 1) below
	InfoChamp Systems Corporation (Info Champ)	ERP system integration services	100	100	100	
	China Steel Structure Co., Ltd. (CSSC)	Manufacture and sale of steel structures	33	33	33	Direct and indirect ownerships amounted to 38%, and refer to 1) below
	China Ecotek Corporation (CEC)	Environmental and electromechanical engineering, Operation & Maintenance (O&M)	45	45	45	Refer to 1) below
	China Steel Security Corporation (CSS)	On-site guarding and system security	100	100	100	
	HIMAG Magnetic Corporation (HIMAG)	Manufacture and trading of magnetic materials, specialty chemicals and iron oxide	69	69	69	Direct and indirect ownerships amounted to 88%

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			June 30, 2025	December 31, 2024	June 30, 2024	
Gains Investment Corporation	China Steel Machinery Corporation (CSMC)	Manufacture and sale of mechanical equipment, including steel making equipment, rolling stock, transportation equipment, power plant equipment, etc.	74	74	74	Direct and indirect ownerships amounted to 100%
	China Steel Management Consulting Corporation (CMCC)	Corporate business management consulting	100	100	100	
	Eminent Venture Capital Corporation (Eminent VC)	General Investment	-	-	-	Indirect ownership were 55%
	CSC Steel Australia Holdings Pty Ltd (CSC SAH)	General investment	100	100	100	
	China Steel and Nippon Steel Vietnam Joint Stock Company (CSVC)	Manufacture and sale of steel products	56	56	56	
	CSCI Steel Corporation India Pvt. Ltd. (CSCI)	Electrical sheets	100	100	100	
	Kaohsiung Rapid Transit Corporation (KRTC)	Mass rapid transit system operations	44	44	43	Direct and indirect ownerships amounted to 52%
	China Steel Resources Corporation (CSRC)	Manufacture of other non-metallic mineral products	100	100	100	
	CSC Solar Corporation (CSCSOLAR)	Solar power generation	55	55	55	Direct and indirect ownerships amounted to 100%
	Sing Da Marine Structure Corporation (SDMS)	Steel structure related business	85	47	47	Direct and indirect ownerships amounted to 100%
	China Steel Power Holding Corporation (CPHC)	General investment	51	51	51	
	Eminence Investment Corporation (EIC)	General investment	100	100	100	
	Betacera Inc. (BETACERA)	Manufacture and trading of electronic ceramics	48	48	48	Direct and indirect ownerships amounted to 52%
	ThinTech Materials Technology Co., Ltd. (TTMC)	Manufacture and sale of sputtering targets	47	47	49	Direct and indirect ownerships amounted to 52%, and refer to 1) below
	Universal Exchange Inc. (UEC)	Wholesale, service of IT software and electronic information services supply	64	64	64	Direct and indirect ownerships amounted to 99%
Eminence Investment Corporation	Mentor Consulting Corporation (MCC)	Management consulting business	100	100	100	
	Winning Investment Corporation (WIC)	General investment	49	49	49	Direct and indirect ownerships amounted to 79%
	Pro-Ascentek Investment Corporation (PAIC)	General investment	5	5	5	Direct and indirect ownerships amounted to 61%
	OmniGains Investment Corporation (OG)	Holding and investment	-	-	-	The investment was restructured in May 2024
	Shin Mau Investment Corporation (SMIC)	General investment	30	30	30	Direct and indirect ownerships amounted to 100%
	Ding Da Investment Corporation (DDIC)	General investment	30	30	30	Direct and indirect ownerships amounted to 100%
	Gau Ruei Investment Corporation (GRIC)	General investment	25	25	25	Direct and indirect ownerships amounted to 100%
	Chiun Yu Investment Corporation (CYIC)	General investment	25	25	25	Direct and indirect ownerships amounted to 100%

Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			June 30, 2025	December 31, 2024	June 30, 2024	
Shin Mau Investment Corporation	Hung-Chuan Investment Corporation (HCIC)	General investment	5	5	5	Direct and indirect ownerships amounted to 100%
	Chi-Yi Investment Corporation (CYIIC)	General investment	5	5	5	Direct and indirect ownerships amounted to 100%
Ding Da Investment Corporation	Jiing-Cherng-Fa Investment Corporation (JCFIC)	General investment	4	4	4	Direct and indirect ownerships amounted to 100%
Gau Ruei Investment Corporation	Sheng Lih Dar Investment Corporation (SLDIC)	General investment	4	4	4	Direct and indirect ownerships amounted to 100%
	Li-Ching-Long Investment Corporation (LCLIC)	General investment	5	5	5	Direct and indirect ownerships amounted to 100%
Betacera Inc. Lefkara Ltd.	Lefkara Ltd. (Lefkara)	Holding and Investment	100	100	100	
	Betacera (Su Zhou) Co., Ltd. (BSZ)	Manufacture and trading of electronic ceramics	100	100	100	
	Shanghai Xike Ceramic Electronic Co., Ltd. (SHXCE)	Manufacture and trading of electronic ceramics	100	100	100	
	Suzhou Betacera Technology Co., Ltd. (SBTC)	Manufacture and trading of life-saving equipment for shipping and aviation	100	100	100	
ThinTech Materials Technology Co., Ltd.	Thintech Global Limited (TTGL)	Holding and investment	100	100	100	
	Changzhou China Steel Precision Materials Co., Ltd. (CSPM)	Production and sale of titanium and titanium alloys, nickel and nickel alloys	35	35	35	After the investment was restructured in May 2024, the direct and indirect ownerships amounted to 70%
	OmniGains Investment Corporation (OG)	Holding and investment	100	100	100	After the investment was restructured in May 2024, the direct ownerships amounted to 100%
Thintech Global Limited	Taicang Thintech Materials Co., Ltd. (TCMC)	Sputtering target manufacturing and sales	-	-	100	Disposal in November 2024
China Steel Express Corporation	CSE Transport Corporation (CSEP)	Dry bulk shipping business	100	100	100	
	Transglory Investment Corporation (TIC)	General investment	48	48	48	Direct and indirect ownerships amounted to 100%
China Prosperity Development Corporation	Kaoport Stevedoring Corporation (KPC)	Ship stevedoring	66	66	66	
	CK Japan Co., Ltd. (CKJCL)	Leasing of real estate	80	80	80	Direct and indirect ownerships amounted to 100%
	China Prosperity Construction Corporation (CPCC)	Development of real estate	60	60	60	Direct and indirect ownerships amounted to 100%
China Steel Asia Pacific Holdings Pte Ltd	CSC Steel Holdings Berhad (CSHB)	General investment	46	46	46	Refer to 2) below
	Changzhou China Steel Precision Materials Co., Ltd. (CSPM)	Production and sale of titanium and titanium alloys, nickel and nickel alloys	-	-	-	The investment was restructured in May 2024
CSC Steel Holdings Berhad	CSC Steel Sdn. Bhd. (CSCM)	Manufacture and sale of steel products	100	100	100	
CSC Steel Sdn. Bhd.	Constant Mode Sdn. Bhd. (CMSB)	General investment	100	100	100	
Chung Hung Steel Corporation	Hung Kao Investment Corporation (HKIC)	General investment	100	100	100	
China Steel Chemical Corporation	Ever Wealthy International Corporation (EWIC)	General investment	100	100	100	
Ever Wealthy International Corporation	Changzhou China Steel New Materials Technology Co., Ltd. (CSNCMT)	Processing and sale of green mesophase powder	100	100	100	



Investor	Investee	Main Businesses	Percentage of Ownership (%)			Additional Descriptions
			June 30, 2025	December 31, 2024	June 30, 2024	
China Steel Global Trading Corporation	Chung Mao Trading (Samoa) Corporation (SAMOA)	Holding and investment	100	100	100	Direct and indirect ownerships amounted to 50%
	Wabo Global Trading Corporation (WABO)	Sales agent and trading of steel products	44	44	44	
	CSGT (Singapore) Pte. Ltd. (CSGTSNG)	Sales agent and trading of steel products	100	100	100	
	CSGT International Corporation (CIC)	Holding and investment	100	100	100	
	CSGT (Shenzhen) Co., Ltd. (SZH)	Sales agent and trading of steel products	65	65	65	
	China Steel Precision Metals Kunshan Co., Ltd. (CSPK)	Cutting and processing of steel products	100	100	100	
	China Steel Precision Metals Qingdao Co., Ltd. (CSMQ)	Cutting and processing of steel products	70	70	70	
	Chung Mao Trading (Samoa) Corporation	CSGT (Shanghai) Co., Ltd. (CSGTPRC)	100	100	100	
	Wabo Global Trading Corporation	CSGT Japan Co., Ltd. (CSGTJPN)	100	100	100	
	CSGT International Corporation	CSGT Metals Vietnam Joint Stock Company (CSGT-VTM)	60	60	60	
CHC Resources Corporation	CSGT Trading India Private Limited (CSGTIN)	Sales agent and trading of steel products	99	99	99	Direct and indirect ownerships amounted to 100%
	Union Steel Development Corporation (USDC)	Manufacture and sale of iron powder, contract manufacturing and sale of refractory materials, trading and labor dispatching	93	93	93	
	Pao Good Industrial Co., Ltd. (PG)	Trading of fly ash, production and sale of dry-mix mortar and trading business	51	51	51	
	Yu Cheng Lime Corporation (YCC)	Real estate leasing and tally service of raw materials	90	90	90	
	CHC Resources Vietnam Co., Ltd (CHCV)	Manufacture and sales of ground granulated BFS and sale of water-quenched slag	85	85	85	
	InfoChamp Systems Corporation	Info-Champ System (B.V.I) Corporation (ICSCB)	100	100	100	
	Info-Champ System (B.V.I) Corporation	Wuhan InfoChamp I.T. Co., Ltd. (WICIT)	100	100	100	
	China Steel Structure Co., Ltd.	United Steel Engineering & Construction Corporation (USEC)	100	100	100	
		China Steel Structure Holding Co., Ltd. (CSSHCL)	100	100	100	
	China Ecotek Corporation	CEC International Corporation (CECIC)	100	100	100	
CEC International Corporation	CEC Development Corporation (CDC)	General investment	100	100	100	After repurchasing shares from external shareholders in June 2024, the direct ownerships amounted to 100%
	China Ecotek India Private Limited (CECI)	Construction engineering	-	-	-	
	China Ecotek India Private Limited (CECI)	Construction engineering	100	100	100	
	CEC Development Corporation	China Ecotek Vietnam Company Limited (CEVC)	100	100	100	
		Xiamen Ecotek PRC Company Limited (XEP)	100	100	100	
	China Steel Security Corporation	Steel Castle Technology Corporation (SCTC)	100	100	100	
		China Steel Management And Maintenance For Buildings Corporation (CSMM)	100	100	100	
	HIMAG Magnetic Corporation	MagnPower Corporation (MPC)	100	100	100	
	CSC Steel Australia Holdings Pty Ltd	CSC Sonoma Pty Ltd (CSC Sonoma)	100	100	100	
	Kaohsiung Rapid Transit Corporation	Taiwan Intelligent Transportation Co., Ltd. (TITC)	100	100	100	
China Steel Power Holding Corporation	China Steel Power Corporation (ZN)	Offshore Wind Power Generation	100	100	100	

- 1) Explanations for subsidiaries which are less than 50% owned but included in the consolidated entities are as follows:
    - a) The chairman and general manager of CEC, CCCC, CHC, CSSC and TTMC are designated by the Corporation and other subsidiaries in order to lead its finance, operation, and human resources. Therefore, the Corporation had control-in-substance over aforementioned subsidiaries and included them in the consolidated entities.
    - b) The actual operations of CHS and CSHB are controlled by the respective board of directors. The Corporation or with other subsidiaries jointly had more than half of the seats in the board of directors of CHS and CSHB. Therefore, the Corporation had control-in-substance over the aforementioned entities and included them in the consolidated entities.
  - 2) The Corporation had no subsidiary with material non-controlling interests.
- c. Other material accounting policies

Except for the following, refer to the summary of material accounting policies in the consolidated financial statements for the year ended December 31, 2024.

1) Carbon fee liabilities

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the carbon fee liabilities are recognized and measured on the basis of the best estimate of the expenditure required to settle the obligation for the current year, and are recognized and measured on the actual emissions or proportionally on the estimated total emissions for the year.

2) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

3) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated on an interim period's pre-tax income by applying to the tax rate that would be applicable to expected total annual earnings.

## **5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Except for the following, the same material accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2024.

### Carbon fees

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the management recognizes the carbon fees liabilities based on the estimate of the chargeable emissions, the preferential rate, and the emission adjustment coefficient. The estimate may vary as a result of the change in the estimated possibility in the approval for the self-determined reduction plan from the competent authority and the expected achievement of the annual designated target.

## 6. CASH AND CASH EQUIVALENTS

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand	\$ 37,876	\$ 40,471	\$ 40,468
Checking accounts and demand deposits	14,376,929	12,038,907	12,356,155
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits and negotiable certificates of deposit	2,277,335	2,856,445	4,884,395
Commercial papers	4,922,656	2,832,224	3,424,564
Bonds with repurchase agreements	<u>159,746</u>	<u>60,000</u>	<u>150,000</u>
	<u>\$ 21,774,542</u>	<u>\$ 17,828,047</u>	<u>\$ 20,855,582</u>

Cash and cash equivalents shown in the consolidated statements of cash flows can be reconciled to the related items in the consolidated balance sheets. The reconciliation information as of June 30, 2025 and 2024 was shown in the consolidated statements of cash flows; the reconciliation information as of December 31, 2024 was as follows:

	December 31, 2024
Cash and cash equivalents	\$ 17,828,047
Bank overdraft	<u>(2,762,910)</u>
	<u>\$ 15,065,137</u>

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily classified as at FVTPL			
Mutual funds	\$ 3,839,418	\$ 3,941,496	\$ 3,057,092
Listed shares	48,872	108,063	181,091
Emerging market shares	13,043	54,358	71,762
Corporate bonds	9,284	16,604	16,413
Convertibles bonds	83,375	82,103	105,337
Convertible bonds call options and put options, net (Note 18)	-	-	190
Subordinated debt	50,000	50,000	50,000
Foreign exchange forward contracts (a)	<u>46</u>	<u>-</u>	<u>-</u>
	<u>\$ 4,044,038</u>	<u>\$ 4,252,624</u>	<u>\$ 3,481,885</u>

	June 30, 2025	December 31, 2024	June 30, 2024
<hr/> Financial assets at FVTPL - noncurrent <hr/>			
Financial assets mandatorily classified as at FVTPL			
Unlisted shares	\$ 525,740	\$ 765,759	\$ 715,477
Emerging market shares	24,428	24,001	24,070
Mutual funds	<u>11,962</u>	<u>12,415</u>	<u>9,726</u>
	<u>\$ 562,130</u>	<u>\$ 802,175</u>	<u>\$ 749,273</u>
<hr/> Financial liabilities at FVTPL - current <hr/>			
Financial liabilities held for trading			
Foreign exchange forward contracts (a)	<u>\$ 249</u>	<u>\$ 1,055</u>	<u>\$ 324</u>

- a. The subsidiaries entered into foreign exchange forward contracts to manage exposures due to exchange rate fluctuations of foreign currency denominated assets and liabilities. However, some of those contracts were not accounted for by using hedge accounting. The outstanding foreign exchange forward contracts not under hedge accounting of the subsidiaries at the end of the reporting period were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<hr/> June 30, 2025 <hr/>			
Sell	USD/NTD	2025.07-2025.12	USD3,150/NTD92,762
<hr/> December 31, 2024 <hr/>			
Sell	USD/NTD	2025.01-2025.06	USD3,200/NTD102,524
<hr/> June 30, 2024 <hr/>			
Sell	USD/NTD	2024.07	USD3,000/NTD96,870

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30, 2025	December 31, 2024	June 30, 2024
<hr/> Current <hr/>			
Domestic investments			
Listed shares	\$ 7,604,005	\$ 9,002,573	\$ 9,157,631
Emerging market shares and unlisted shares	32,617	27,444	27,558
Corporate bonds	<u>-</u>	<u>-</u>	<u>61,669</u>
	<u>7,636,622</u>	<u>9,030,017</u>	<u>9,246,858</u>

	June 30, 2025	December 31, 2024	June 30, 2024
Foreign investments			
Subordinated debt	\$ 41,738	\$ 46,683	\$ -
Corporate bonds	<u>46,627</u>	<u>35,012</u>	<u>86,232</u>
	<u>88,365</u>	<u>81,695</u>	<u>86,232</u>
	<u>\$ 7,724,987</u>	<u>\$ 9,111,712</u>	<u>\$ 9,333,090</u>
<hr/> Noncurrent <hr/>			
Domestic investments			
Listed shares	\$ 9,508,262	\$ 9,489,769	\$ 10,362,160
Emerging market shares and unlisted shares	<u>2,898,068</u>	<u>3,237,503</u>	<u>3,087,219</u>
	<u>12,406,330</u>	<u>12,727,272</u>	<u>13,449,379</u>
Foreign investments			
Unlisted shares	26,696,834	30,006,173	34,166,730
Listed shares	2,509,610	2,581,581	2,661,033
Certificate of entitlement	<u>889,925</u>	<u>977,714</u>	<u>1,236,160</u>
	<u>30,096,369</u>	<u>33,565,468</u>	<u>38,063,923</u>
	<u>\$ 42,502,699</u>	<u>\$ 46,292,740</u>	<u>\$ 51,513,302</u>

These investments in equity instruments are not held for trading; instead, they are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Corporation and its subsidiaries' strategy of holding these investments for long-term purposes.

## 9. FINANCIAL INSTRUMENTS FOR HEDGING

	June 30, 2025	December 31, 2024	June 30, 2024
<hr/> Financial assets for hedging - current <hr/>			
Hedging foreign currency deposits	\$ 1,167,686	\$ 3,268,645	\$ 5,004,371
Foreign exchange forward contracts	15,064	121,335	375,314
Interest rate swap contracts	173,544	284,607	-
Futures contracts	<u>15,964</u>	<u>-</u>	<u>22,573</u>
	<u>\$ 1,372,258</u>	<u>\$ 3,674,587</u>	<u>\$ 5,402,258</u>
<hr/> Financial assets for hedging - noncurrent <hr/>			
Foreign exchange forward contracts	\$ 4,345	\$ 9,692	\$ 25,350
Interest rate swap contracts	<u>615,005</u>	<u>1,247,718</u>	<u>1,608,404</u>
	<u>\$ 619,350</u>	<u>\$ 1,257,410</u>	<u>\$ 1,633,754</u>

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial liabilities for hedging - current</u>			
Bank loans (Note 17)	\$ 246,927	\$ 944,025	\$ 662,282
Borrowed precious metals from bank	80,532	169,085	5,750
Foreign exchange forward contracts	36,838	7,527	9,692
Interest rate swap contracts	<u>26,879</u>	<u>-</u>	<u>-</u>
	<u>\$ 391,176</u>	<u>\$ 1,120,637</u>	<u>\$ 677,724</u>
<u>Financial liabilities for hedging - noncurrent</u>			
Bank loans (Note 17)	\$ 441,887	\$ -	\$ 244,864
Foreign exchange forward contracts	6,869	-	970
Interest rate swap contracts	<u>19,878</u>	<u>-</u>	<u>-</u>
	<u>\$ 468,634</u>	<u>\$ -</u>	<u>\$ 245,834</u>

Refer to Note 29 for information relating to financial instruments for hedging.

#### 10. NOTES AND ACCOUNTS RECEIVABLE, NET (INCLUDING RELATED PARTIES)

	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable			
Operating	\$ 1,358,185	\$ 1,645,157	\$ 1,417,760
Non-operating	<u>-</u>	<u>1,190</u>	<u>-</u>
	<u>\$ 1,358,185</u>	<u>\$ 1,646,347</u>	<u>\$ 1,417,760</u>
Accounts receivable	\$ 11,265,992	\$ 14,354,199	\$ 11,286,009
Less: Allowance for impairment loss	<u>164,495</u>	<u>169,519</u>	<u>156,777</u>
	<u>\$ 11,101,497</u>	<u>\$ 14,184,680</u>	<u>\$ 11,129,232</u>

The Corporation and its subsidiaries make prudent assessment of their customers. The counterparties are creditworthy companies; as a result, the significant credit risk is unexpected. The Corporation and its subsidiaries did transactions with a large number of unrelated customers and no concentration of credit risk was observed. The Corporation and its subsidiaries continue to manage the financial condition and entire credit risk of their customers and obtain sufficient collateral if needed to mitigate the risk of financial loss from late payment.

The expected credit losses on notes and accounts receivable are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast GDP and direction of economic conditions at the reporting date.

The Corporation and its subsidiaries continue to monitor the collection of receivables to ensure that proper actions are made to collect past due receivables. Additionally, the Corporation and its subsidiaries review the recoverable amount of receivables one by one at the balance sheet date to ensure that proper allowances are recognized for unrecoverable receivables.

The following table details the loss allowance of notes and accounts receivable based on the impaired aging analysis.

#### June 30, 2025

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 11,869,904	\$ 369,594	\$ 80,664	\$ 21,011	\$ 283,004	\$ 12,624,177
Loss allowance (Lifetime ECL)	<u>(6,479 )</u>	<u>(8,695 )</u>	<u>(68 )</u>	<u>(11,801 )</u>	<u>(137,452 )</u>	<u>(164,495 )</u>
Amortized cost	<u>\$ 11,863,425</u>	<u>\$ 360,899</u>	<u>\$ 80,596</u>	<u>\$ 9,210</u>	<u>\$ 145,552</u>	<u>\$ 12,459,682</u>

#### December 31, 2024

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 15,213,203	\$ 405,336	\$ 61,326	\$ 29,375	\$ 291,306	\$ 16,000,546
Loss allowance (Lifetime ECL)	<u>(8,135 )</u>	<u>-</u>	<u>(4,243 )</u>	<u>(12,032 )</u>	<u>(145,109 )</u>	<u>(169,519 )</u>
Amortized cost	<u>\$ 15,205,068</u>	<u>\$ 405,336</u>	<u>\$ 57,083</u>	<u>\$ 17,343</u>	<u>\$ 146,197</u>	<u>\$ 15,831,027</u>

#### June 30, 2024

	Not Past Due	1 to 30 Days	31 to 60 Days	61 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 11,814,864	\$ 433,121	\$ 48,728	\$ 122,610	\$ 284,446	\$ 12,703,769
Loss allowance (Lifetime ECL)	<u>(7,286 )</u>	<u>-</u>	<u>(12 )</u>	<u>(11,651 )</u>	<u>(137,828 )</u>	<u>(156,777 )</u>
Amortized cost	<u>\$ 11,807,578</u>	<u>\$ 433,121</u>	<u>\$ 48,716</u>	<u>\$ 110,959</u>	<u>\$ 146,618</u>	<u>\$ 12,546,992</u>

The movements of the loss allowance of accounts receivable were as follows:

	For the Six Months Ended June 30	
	2025	2024
Balance, beginning of period	\$ 169,519	\$ 142,389
Recognition (reversal)	(4,514)	14,457
Written off	-	(353)
Effect of foreign currency exchange differences	<u>(510)</u>	<u>284</u>
Balance, end of period	<u>\$ 164,495</u>	<u>\$ 156,777</u>

The Corporation and its subsidiary CHS entered into accounts receivable factoring agreements (without recourse) with Mega Bank and other financial institutions. Under the agreements, the Corporation and its subsidiary are empowered to sell accounts receivable to the banks upon the delivery of products to customers and are required to complete related formalities at the next banking day.

For the six months ended June 30, 2025 and 2024, the related information for the Corporation and its subsidiary CHS's sale of accounts receivable was as follows:

Counterparty	Advances Received at Period - Beginning	Receivables Sold	Amounts Collected by Bank	Advances Received at Period - End	Interest Rate on Advances Received (%)	Credit Line
For the Six Months Ended June 30, 2025						
Mega Bank	\$ 793,739	\$ 1,482,476	\$ 1,082,557	\$ 1,193,658	2.18-2.73	NT\$9 billion
Bank of Taiwan	401,855	597,514	599,733	399,636	2.18-2.73	NT\$2.1 billion
Bank of Taiwan	235,668	720,792	726,288	230,172	5.22-6.70	USD130,000 thousand

Counterparty	Advances Received at Period - Beginning	Receivables Sold	Amounts Collected by Bank	Advances Received at Period - End	Interest Rate on Advances Received (%)	Credit Line
Taishin Bank	\$ 2,392,118	\$ 2,740,763	\$ 4,069,205	\$ 1,063,676	5.24-5.86	USD250,000 thousand
CTBC Bank	1,121,942	1,779,425	2,070,093	831,274	5.30-5.83	USD60,000 thousand
Mizuho Bank	14,708	403,877	319,059	99,526	5.14-6.15	USD10,000 thousand
Mega Bank	161,929	137,532	186,163	113,298	2.23	NT\$485,000 thousand
	<u>\$ 5,121,959</u>	<u>\$ 7,862,379</u>	<u>\$ 9,053,098</u>	<u>\$ 3,931,240</u>		
For the Six Months Ended June 30, 2024						
Mega Bank	\$ 983,565	\$ 1,312,728	\$ 1,218,872	\$ 1,077,421	1.98-2.70	NT\$9 billion
Bank of Taiwan	370,934	570,192	549,505	391,621	1.99-2.70	NT\$2.1 billion
Bank of Taiwan	265,937	1,790,972	1,778,078	278,831	6.25-7.00	USD130,000 thousand
Taishin Bank	2,668,013	4,854,540	4,601,409	2,921,144	6.09-6.43	USD250,000 thousand
CTBC Bank	824,245	958,880	1,307,278	475,847	6.24-6.45	USD60,000 thousand
Mizuho Bank	16,783	333,050	322,443	27,390	5.98-6.24	USD10,000 thousand
Mega Bank	85,722	220,323	200,117	105,928	2.11	NT\$485,000 thousand
Bank of Taiwan	<u>1,791</u>	<u>-</u>	<u>1,791</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,216,990</u>	<u>\$ 10,040,685</u>	<u>\$ 9,979,493</u>	<u>\$ 5,278,182</u>		

The subsidiary CSAC entered into accounts receivable factoring agreements with the bank. Under the agreements, if the accounts receivable cannot be received when due, the bank is empowered to demand payment of outstanding balances from CSAC. Therefore, the material risks and rewards of the accounts receivable have not been transferred from CSAC. All accounts receivable continue to be recognized and the transferred accounts receivable are used as collateral for borrowings. Refer to Note 31 for information relating to accounts receivable pledged as collateral.

The subsidiary CSPM entered into notes receivable discounting agreements with the bank. Under the agreements, if the notes receivable cannot be received when due, the bank is empowered to demand payment of outstanding balances from CSPM. Therefore, the material risks and rewards of the notes receivable have not been transferred from CSPM. All notes receivable continue to be recognized and the transferred notes receivable are used as collateral for borrowings. Refer to Note 31 for information relating to notes receivable pledged as collateral.

As of June 30, 2025, December 31, 2024 and June 30, 2024, the carrying amount of these accounts receivable and notes receivable that have been transferred but not derecognized were NT\$203,712 thousand, NT\$266,617 thousand and NT\$320,740 thousand, respectively, and the carrying amount of the related short-term borrowings were NT\$203,712 thousand, NT\$266,617 thousand and NT\$320,740 thousand, respectively.



## 11. INVENTORIES

	June 30, 2025	December 31, 2024	June 30, 2024
Work in progress	\$ 27,041,095	\$ 28,236,837	\$ 28,166,139
Finished goods	21,932,769	27,961,260	31,127,698
Raw materials	24,036,250	25,014,366	28,005,950
Supplies	12,130,084	13,048,523	13,962,982
Inventory in transit	7,992,401	12,307,349	15,063,790
Buildings and lands for sale and under construction	414,619	305,790	255,909
Others	<u>694,016</u>	<u>808,830</u>	<u>989,302</u>
	<u>\$ 94,241,234</u>	<u>\$ 107,682,955</u>	<u>\$ 117,571,770</u>

The costs of inventories recognized as operating costs for the three months and six months ended June 30, 2025 and 2024 were NT\$70,270,800 thousand, NT\$75,765,517 thousand, NT\$134,671,922 thousand and NT\$152,875,570 thousand, respectively, including loss on inventory NT\$885,396 thousand, loss on inventory NT\$560,824 thousand, reversal of loss on inventory NT\$51,008 thousand and loss on inventory NT\$494,800 thousand, respectively. Reversal of loss on inventory was due to the disappearance of the factors that previously caused the net realizable value of inventories to be lower than the cost.

## 12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	June 30, 2025	December 31, 2024	June 30, 2024
Material associate			
9404-5515 Québec Inc.	\$ 7,661,744	\$ 8,926,064	\$ 8,554,405
Associates that are not individually material	<u>5,652,705</u>	<u>5,779,930</u>	<u>5,629,303</u>
	<u>\$ 13,314,449</u>	<u>\$ 14,705,994</u>	<u>\$ 14,183,708</u>

### a. Material associate

Name of Associate	Nature of Activities	Principal Place of Business	Percentage of Ownership and Voting Rights (%)		
			June 30, 2025	December 31, 2024	June 30, 2024
9404-5515 Québec Inc.	Mineral Investment	Canada	25	25	25

The summarized financial information below represents amounts shown in the financial statements of 9404-5515 Québec Inc., which have been prepared in accordance with the IFRS Accounting Standards, and converted to the functional currency and adjusted for the purposes of applying the equity method.

	June 30, 2025	December 31, 2024	June 30, 2024
Current assets	\$ 480,738	\$ 1,813,424	\$ 48,371
Noncurrent assets	32,229,463	36,063,589	35,695,009
Current liabilities	<u>(1,561,756)</u>	<u>(1,503,486)</u>	<u>(884,354)</u>
Equity	<u>\$ 31,148,445</u>	<u>\$ 36,373,527</u>	<u>\$ 34,859,026</u>

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Equity attributable to the Corporation and its subsidiaries (carrying amount of the investment)	<u>\$ 7,661,744</u>	<u>\$ 8,926,064</u>	<u>\$ 8,554,405</u>
	<b>For the Three Months Ended June 30</b>		<b>For the Six Months Ended June 30</b>
	<b>2025</b>	<b>2024</b>	<b>2025 2024</b>
Net profit for the period	<u>\$ 8,564</u>	<u>\$ 17,531</u>	<u>\$ 308,729</u> <u>\$ 1,470,375</u>
Total comprehensive income (loss) for the period	<u>\$ (1,286,206)</u>	<u>\$ (573,467)</u>	<u>\$ (1,281,285)</u> <u>\$ 2,545,917</u>
Dividends received from 9404-5515 Québec Inc.	<u>\$ 19,910</u>	<u>\$ 395,192</u>	<u>\$ 448,981</u> <u>\$ 395,192</u>
Comprehensive income (loss) attributable to the Corporation and its subsidiaries	<u>\$ (315,635)</u>	<u>\$ (140,729)</u>	<u>\$ (314,427)</u> <u>\$ 624,768</u>

b. Information about associates that are not individually material was as follows:

	<b>For the Three Months Ended June 30</b>		<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
The Corporation and its subsidiaries' share of Net profit (loss) for the period	\$ 27,881	\$ (8,316)	\$ (6,584)	\$ 37,595
Other comprehensive income (loss)	<u>(110,571)</u>	<u>20,286</u>	<u>31,379</u>	<u>(18,775)</u>
Total comprehensive income (loss)	<u>\$ (82,690)</u>	<u>\$ 11,970</u>	<u>\$ 24,795</u>	<u>\$ 18,820</u>

Fair values (Level 1) of investments in associates with available published price quotation are summarized as follows:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Chateau International Development Co., Ltd.	<u>\$ 714,103</u>	<u>\$ 798,603</u>	<u>\$ 1,293,361</u>

Except for the investments in some companies, investments accounted for using equity method as of June 30, 2025 and 2024, and the share of profit or loss and other comprehensive income of associates for the six months ended June 30, 2025 and 2024, were calculated based on the reviewed financial statements. The Corporation's management considered the use of unreviewed financial statements as acceptable and will not have material impact on both the investments and income accounted for using the equity method.

Refer to Table 7 “Information on Investees” for the nature of main business, principal place of business and countries of incorporation of associates that are not individually material.

### 13. OTHER FINANCIAL ASSETS

	June 30, 2025	December 31, 2024	June 30, 2024
<hr/> Current <hr/>			
Time deposits with original maturities of more than 3 months	\$ 12,014,231	\$ 11,499,200	\$ 9,964,798
Pledged time deposits (Note 31)	6,697,370	6,399,482	6,705,250
Pledged demand deposits (Note 31)	1,708,596	300,000	300,000
Deposits for projects	<u>65,900</u>	<u>76,985</u>	<u>91,450</u>
	<u>\$ 20,486,097</u>	<u>\$ 18,275,667</u>	<u>\$ 17,061,498</u>
<hr/> Noncurrent <hr/>			
Pledged receivables (Note 31)	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Time deposits	474,946	731,295	593,659
Pledged time deposits (Note 31)	283,708	299,805	302,993
Deposits for projects	<u>9,418</u>	<u>10,304</u>	<u>-</u>
	<u>\$ 2,768,072</u>	<u>\$ 3,041,404</u>	<u>\$ 2,896,652</u>

Refer to Note 31 for information relating to other financial assets pledged as collateral.

### 14. PROPERTY, PLANT AND EQUIPMENT

Refer to Table 9 for the movements of property, plant and equipment for the six months ended June 30, 2025 and 2024.

Items of property, plant and equipment are depreciated on a straight-line basis over the following useful lives:

Land improvements	3-40 years
Buildings	
Main structure	3-60 years
Others	3-40 years
Machinery and equipment	
Power equipment	3-40 years
Process equipment	5-25 years
Lifting equipment	5-25 years
Others	2-40 years
Transportation equipment	
Ship equipment	18 years
Others	2-20 years
Other equipment	2-35 years

The subsidiary CHS bought farmlands for warehousing at the Gangshan District in Kaohsiung City. However, certain regulations prohibit CHS from registering the title of these farmlands in CHS’s name; therefore, the registration was made in the name of an individual person. The individual person consented

to fully cooperate with CHS in freely changing the land title to CHS or to other name under CHS's instructions. Meanwhile, the land had been pledged to CHS as collateral. The above-mentioned farmlands had completed the change of its land category and registration of the title to CHS in 2024. As of June 30, 2024, the book value of the farmlands was NT\$27,749 thousand, recorded as land.

Refer to Note 31 for the carrying amount of property, plant and equipment that had been pledged by the Corporation and its subsidiaries to secure borrowings.

## 15. LEASE ARRANGEMENTS

### a. Right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amounts			
Land	\$ 11,225,652	\$ 11,644,775	\$ 11,286,283
Land improvements	127,383	154,720	182,054
Buildings	698,155	716,494	797,147
Machinery	32,225	819	1,179
Transportation equipment	100,324	103,503	94,886
Office equipment	673	3,642	6,630
Others	<u>1,713</u>	<u>1,774</u>	<u>4,051</u>
	<u>\$ 12,186,125</u>	<u>\$ 12,625,727</u>	<u>\$ 12,372,230</u>
		<b>For the Six Months Ended June 30</b>	
		<b>2025</b>	<b>2024</b>
Additions to right-of-use assets		<u>\$ 206,579</u>	<u>\$ 551,733</u>
	<b>For the Three Months Ended June 30</b>	<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2025</b>	<b>2024</b>
Depreciation charge for right-of-use assets			
Land	\$ 216,731	\$ 212,464	\$ 436,804
Land improvements	13,668	13,668	27,337
Buildings	75,742	79,585	150,447
Machinery	4,869	328	6,573
Transportation equipment	14,450	14,142	28,810
Office equipment	1,485	1,494	2,969
Others	<u>31</u>	<u>1,139</u>	<u>61</u>
	<u>\$ 326,976</u>	<u>\$ 322,820</u>	<u>\$ 653,001</u>
			<u>\$ 711,536</u>

b. Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amounts			
Current	\$ 1,034,744	\$ 1,027,307	\$ 1,056,880
Non-current	<u>9,623,308</u>	<u>9,824,040</u>	<u>10,057,051</u>
	<u>\$ 10,658,052</u>	<u>\$ 10,851,347</u>	<u>\$ 11,113,931</u>

Range of discount rate (%) for lease liabilities was as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Land	0.59-2.21	0.59-2.21	0.59-2.21
Land improvements	1.31-1.69	1.31-1.69	1.31-1.74
Buildings	0.56-5.04	0.56-5.04	0.56-5.04
Machinery	0.59-1.80	0.59-1.78	0.59-1.78
Transportation equipment	0.59-2.08	0.36-2.08	0.36-2.08
Office equipment	0.86-0.95	0.59-0.95	0.59-6.07
Others	2.00-2.01	2.00-2.01	0.59-2.01

c. Material lease activities and terms

The Corporation leases land with a total of 261,207.62 square meter from Taiwan International Ports Corporation, Ltd. The rent is calculated by an annual rate of 5% based on the announced land value. The lease term started from January 2008 to December 2027.

The Corporation leases No. 101 berth in Kaohsiung Harbor from Taiwan International Ports Corporation, Ltd. for the use of cargo handling of raw materials, including coal and iron ore, as well as GBFS with a lease term started from December 2016 to December 2027.

The subsidiary DSC leases industrial land and port land from Taiwan International Ports Corporation, Ltd. Taichung branch for the use of cargo handling with a lease term started from December 2004 to November 2054. The rent is calculated based on leased portion of land times announced land value and tax rate of land value.

To expand its operation in central Taiwan, the subsidiary CHC rented land from Taiwan International Ports Corporation, Ltd. for 20 years, which is from January 1, 2007 to December 31, 2026. Rental cost consists of rent and fixed as well as floating operating royalties during operating period. Rental duration may be extended when due. Each extension is limited to no more than 20 years until such extension is not permitted. The conditions of the extension shall be negotiated when extended.

To expand storage of GBFS and mid to long-term utilization, the subsidiary CHC continued to rent several pieces of land in Taichung Port Industrial Zone from Taiwan International Ports Corporation, Ltd. Taichung branch with a lease period due on various dates through 2036. Rental duration may be extended when expired, with conditions of the extension to be negotiated.

Refer to Note 31 for the carrying amount of right-of-use assets that had been pledged by the Corporation and its subsidiaries to secure borrowings.

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Expenses relating to short-term leases and low-value asset leases	\$ <u>23,226</u>	\$ <u>143,879</u>	\$ <u>88,094</u>	\$ <u>209,781</u>
Expenses relating to variable leases payments not included in the measurement of lease liabilities	\$ <u>264</u>	\$ <u>355</u>	\$ <u>622</u>	\$ <u>692</u>
Total cash outflow for leases			\$ <u>(731,609)</u>	\$ <u>(944,357)</u>

For land, buildings and some transportation equipment which qualify as short-term leases and office equipment which qualify as low-value asset leases, the Corporation and its subsidiaries have elected to apply the recognition exemption and thus did not recognize right-of-use assets and lease liabilities for these leases.

## 16. INVESTMENT PROPERTIES

For the six months ended June 30, 2025

	Land	Buildings	Total
<u>Cost</u>			
Balance on January 1, 2025	\$ 8,520,250	\$ 2,897,813	\$ 11,418,063
Additions	264,391	13,714	278,105
Effect of foreign currency exchange differences	<u>(3,692)</u>	<u>(10,338)</u>	<u>(14,030)</u>
Balance on June 30, 2025	\$ <u>8,780,949</u>	\$ <u>2,901,189</u>	\$ <u>11,682,138</u>
<u>Accumulated depreciation and impairment</u>			
Balance on January 1, 2025	\$ 42,034	\$ 1,340,130	\$ 1,382,164
Depreciation	-	26,241	26,241
Effect of foreign currency exchange differences	<u>-</u>	<u>(5,847)</u>	<u>(5,847)</u>
Balance on June 30, 2025	\$ <u>42,034</u>	\$ <u>1,360,524</u>	\$ <u>1,402,558</u>
Carrying amount on December 31, 2024	\$ <u>8,478,216</u>	\$ <u>1,557,683</u>	\$ <u>10,035,899</u>
Carrying amount on June 30, 2025	\$ <u>8,738,915</u>	\$ <u>1,540,665</u>	\$ <u>10,279,580</u>

For the six months ended June 30, 2024

	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
<u>Cost</u>			
Balance on January 1, 2024	\$ 8,431,994	\$ 2,595,926	\$ 11,027,920
Transfers from property, plant and equipment	92,838	3,635	96,473
Effect of foreign currency exchange differences	<u>(9,240)</u>	<u>(18,556)</u>	<u>(27,796)</u>
Balance on June 30, 2024	<u>\$ 8,515,592</u>	<u>\$ 2,581,005</u>	<u>\$ 11,096,597</u>
<u>Accumulated depreciation and impairment</u>			
Balance on January 1, 2024	\$ 42,034	\$ 1,220,740	\$ 1,262,774
Depreciation	-	19,505	19,505
Transfers from property, plant and equipment	-	612	612
Effect of foreign currency exchange differences	<u>-</u>	<u>(4,868)</u>	<u>(4,868)</u>
Balance on June 30, 2024	<u>\$ 42,034</u>	<u>\$ 1,235,989</u>	<u>\$ 1,278,023</u>
Carrying amount on June 30, 2024	<u>\$ 8,473,558</u>	<u>\$ 1,345,016</u>	<u>\$ 9,818,574</u>

The above items of investment properties are depreciated on a straight-line basis over the following useful lives:

Buildings

7-60 years

The determination of fair value was performed by independent qualified professional valuers or the management of the Corporation and its subsidiaries, which used the valuation model that market participants would use in determining the fair value, and the fair value was measured using Level 3 inputs. The valuation was measured under the comparative approach, income approach, cost approach and land developing analysis approach similar to the transaction price of the real estate market. The significant unobservable inputs used include discount rates and depreciation rates. The fair value as appraised was as follows:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Fair value	<u>\$ 29,473,023</u>	<u>\$ 29,206,353</u>	<u>\$ 29,091,621</u>

All of the Corporation and its subsidiaries' investment properties are held under freehold interests. Refer to Note 31 for the carrying amount of the investment properties that had been pledged by the Corporation and its subsidiaries to secure borrowings.

## 17. BORROWINGS

### a. Short-term borrowings and bank overdraft

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured loans	\$ 29,718,058	\$ 29,635,211	\$ 33,643,749
Bank overdraft (Note 31)	2,235,497	2,762,910	4,593,344
Letters of credit and export bill loans	417,102	3,504,839	2,003,828
Secured loans (Note 31)	<u>341,035</u>	<u>266,617</u>	<u>440,141</u>
	<u>\$ 32,711,692</u>	<u>\$ 36,169,577</u>	<u>\$ 40,681,062</u>
Range of interest rate (%)	0.00-6.77	0.00-7.92	0.00-7.99

### b. Short-term bills payable

	June 30, 2025	December 31, 2024	June 30, 2024
Commercial paper	\$ 37,356,000	\$ 25,640,000	\$ 49,812,000
Less: Unamortized discounts	<u>51,319</u>	<u>31,767</u>	<u>89,462</u>
	<u>\$ 37,304,681</u>	<u>\$ 25,608,233</u>	<u>\$ 49,722,538</u>
Range of interest rate (%)	1.51-2.68	1.50-2.68	1.46-2.91

The above commercial paper was secured by China Bills Finance Corporation, Taiwan Finance Corporation, Mega Bills Finance Corporation, International Bills Finance Corporation, Grand Bills Finance Corporation, Dah Chung Bills Finance Corporation, Mizuho Bank, Ltd., and Union Bank of Taiwan.

### c. Long-term borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
Syndicated bank loans	\$ 46,631,524	\$ 38,835,814	\$ 34,048,684
Mortgage loans (Note 31)	4,219,442	5,876,613	5,233,003
Unsecured loans	<u>26,439,497</u>	<u>38,521,795</u>	<u>29,232,057</u>
	77,290,463	83,234,222	68,513,744
Less: Current portion	5,599,380	10,871,064	3,726,256
Financial liabilities for hedging - current	246,927	944,025	662,282
Financial liabilities for hedging - non-current	<u>441,887</u>	<u>-</u>	<u>244,864</u>
	<u>\$ 71,002,269</u>	<u>\$ 71,419,133</u>	<u>\$ 63,880,342</u>
Range of interest rate (%)	0.93-5.78	0.72-6.40	0.47-6.86

- 1) The subsidiary CSCI entered into a syndicated credit facility agreement with financial institutions for a US\$105,000 thousand of credit line. Under the agreement, the Corporation should meet certain financial ratios and criteria based on its reviewed consolidated financial statements for the six months ended June 30 and audited consolidated annual financial statements. The loans had been



repaid. CSCI entered into a new syndicated credit facility agreement for a US\$75,000 thousand of credit line in 2024. Under the agreement, the Corporation should meet certain financial ratios and criteria based on its reviewed consolidated financial statements for the six months ended June 30 and audited consolidated annual financial statements. The Corporation was in compliance with the syndicated credit facility agreement based on its reviewed consolidated financial statements for the six months ended June 30, 2025 and 2024 and audited consolidated financial statements for the year ended December 31, 2024.

- 2) The subsidiary ZN entered into a syndicated credit facility agreement with financial institutions for a NT\$ 45.55 billion and EUR\$ 40,000 thousand of credit line. Under the agreement, the Corporation and ZN's investors should hold ownerships directly and indirectly amounted to 51% and maintain more than half the total number of directors. As of June 30, 2025, the Corporation was in compliance with the syndicated credit facility agreement.
- 3) The subsidiary CHS entered into a syndicated credit facility agreement with financial institutions for a NT\$ 6 billion of credit line. Under the agreement, CHS should meet certain financial ratios and criteria based on its audited consolidated annual financial statements. The subsidiary CHS was in compliance with the syndicated credit facility agreement based on its audited consolidated financial statements for the year ended December 31, 2024.
- 4) The subsidiary CSCC entered into a credit facility agreement with Taipei Fubon Bank for a NT\$500,000 thousand of credit line. Under the agreement, CSCC should meet certain financial ratios and criteria based on its audited consolidated annual financial statements. The agreement expired in the fourth quarter of 2024.

The above unsecured loans included those obtained by the Corporation in JPY to hedge the exchange rate fluctuations on equity investments, which were reclassified to financial liabilities for hedging (including current and noncurrent).

d. Long-term bills payable

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Commercial paper	\$ 44,770,000	\$ 49,270,000	\$ 33,670,000
Less: Unamortized discounts	<u>33,382</u>	<u>42,320</u>	<u>31,036</u>
	<u>\$ 44,736,618</u>	<u>\$ 49,227,680</u>	<u>\$ 33,638,964</u>
Range of interest rate (%)	1.50-1.91	1.40-1.97	1.66-2.09

The Corporation and its subsidiaries entered into commercial paper contracts with bills finance corporations and banks. The duration of the contracts is two to five years which the Corporation and its subsidiaries only have to pay service fees and interests. Therefore, the Corporation and its subsidiaries recorded those commercial papers issued as long-term bills payable.

The above commercial paper was secured by Mega Bank, etc.

## 18. BONDS PAYABLE

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured domestic bonds (a)	\$ 68,382,500	\$ 67,707,500	\$ 66,495,000
Secured domestic convertible bonds (b)	-	-	95,000
Less: Issuance cost of bonds payable	40,178	36,348	43,884
Current portion	<u>9,912,189</u>	<u>13,536,337</u>	<u>10,552,970</u>
	<u>\$ 58,430,133</u>	<u>\$ 54,134,815</u>	<u>\$ 55,993,146</u>

a. The major terms of unsecured domestic bonds are as follows:

Issuer	Issuance Period	Total Amount	Coupon Rate (%)	Repayment and Interest Payment
The Corporation	May 2018 to May 2025	\$ 6,000,000	0.95	Repayable in May 2024 and May 2025; interest payable annually
The Corporation	October 2018 to October 2025	4,150,000	0.90	Repayable 25% in October 2024 and 75% in October 2025; interest payable annually
The Corporation	December 2020 to December 2025	1,600,000	0.39	Repayable in December 2024 and December 2025; interest payable annually
The Corporation	July 2023 to July 2026	7,200,000	1.50	Repayable in July 2026; interest payable annually
The Corporation	December 2020 to December 2027	4,200,000	0.43	Repayable 70% in December 2026 and 30% in December 2027; interest payable annually
The Corporation	July 2023 to July 2028	3,800,000	1.57	Repayable in July 2027 and July 2028; interest payable annually
The Corporation	July 2013 to July 2028	3,600,000	1.88	Repayable 30% in July 2026, 30% in July 2027 and 40% in July 2028; interest payable annually
The Corporation	August 2018 to August 2028	5,600,000	1.10	Repayable in August 2027 and August 2028; interest payable annually
The Corporation	October 2018 to October 2028	2,250,000	1.05	Repayable in October 2027 and October 2028; interest payable annually
The Corporation	January 2014 to January 2029	9,000,000	2.15	Repayable 30% in January 2027, 30% in January 2028 and 40% in January 2029; interest payable annually
The Corporation	May 2024 to May 2029	1,570,000	1.84	Repayable in May 2029; interest payable annually
The Corporation	April 2025 to April 2030	5,800,000	2.06	Repayable in April 2030; interest payable annually
DSC	June 2018 to June 2025	2,250,000	1.00	Repayable in June 2024 and June 2025; interest payable annually
DSC	June 2020 to June 2025	5,000,000	0.73	Repayable in June 2024 and June 2025; interest payable annually
DSC	June 2023 to June 2026	5,000,000	1.55	Repayable in June 2026; interest payable annually
DSC	December 2023 to December 2028	4,500,000	1.79	Repayable in December 2027 and December 2028; interest payable annually
DSC	April 2024 to April 2029	4,400,000	1.72	Repayable in April 2028 and April 2029; interest payable annually
DSC	August 2024 to August 2029	3,050,000	2.25	Repayable in August 2028 and August 2029; interest payable annually

Issuer	Issuance Period	Total Amount	Coupon Rate (%)	Repayment and Interest Payment
DSC	January 2025 to January 2030	\$ 3,500,000	2.19	Repayable in January 2029 and January 2030; interest payable annually
CHS	March 2020 to March 2025	2,000,000	0.78	Repayable in March 2025; interest payable annually
CHS	September 2020 to September 2025	1,000,000	0.65	Repayable in September 2025; interest payable annually

b. The major terms of secured domestic convertible bonds are as follows:

Issuer	Issuance Period	Total Amount	Coupon Rate (%)	Repayment and Interest Payment
TTMC	March 2023 to March 2026	\$ 200,000	0.00	Repayable in cash within 10 business days after the maturity date at the face value of the bonds

The subsidiary, TTMC issued NT\$200,000 thousand secured domestic convertible bonds at par in March 2023, the issuance period secured by Bank SinoPac is from March 2023 to March 2026. The creditors may request the bonds to be converted into TTMC's ordinary shares in accordance with the terms of conversion after three months from the issue date. The creditors may request TTMC to redeem the bond in cash at 100.5006% of the par value (yield to put of 0.25% per annum) after two years from the issue date. The derivatives embedded in the bonds, including put options and redemption options were recognized separately from the host contract - corporate bonds as financial instruments at fair value through profit or loss (Note 7) and measured at fair value in accordance with IAS 32 and IFRS 9. As of June 30, 2025, December 31, 2024, and June 30, 2024, the convertible bonds with a par value NT\$200,000 thousand, NT\$200,000 thousand, and NT\$10,500 thousand have been converted into 7,525 thousand, 7,525 thousand, and 3,814 thousand shares of ordinary shares, respectively.

## 19. ACCOUNTS PAYABLE (INCLUDING RELATED PARTIES)

Accounts payable includes advances received on construction contracts. Advances received on construction contracts bears no interests and are expected to be paid until the satisfaction of conditions specified in each contract for the payment of such amounts during retention periods, which were within the normal operating cycle of the Corporation and its subsidiaries, usually more than twelve months.

## 20. OTHER PAYABLES

	June 30, 2025	December 31, 2024	June 30, 2024
Dividends payable	\$ 7,891,971	\$ 372,387	\$ 7,851,118
Purchase of equipment	6,623,447	9,506,173	1,987,323
Salaries and bonus	4,907,840	7,180,961	5,243,571
Outsourced repair and construction	859,872	780,120	837,284
Interest payable	691,434	624,371	599,481
Compensation of employees and remuneration of directors	316,300	290,458	487,466
Others	<u>8,167,503</u>	<u>8,194,124</u>	<u>8,763,824</u>
	<u>\$ 29,458,367</u>	<u>\$ 26,948,594</u>	<u>\$ 25,770,067</u>

## 21. PROVISIONS

	June 30, 2025	December 31, 2024	June 30, 2024
<b>Current</b>			
Onerous contracts (a)	\$ 2,884,753	\$ 2,359,280	\$ 3,878,194
Construction warranties (b)	<u>1,490,729</u>	<u>1,146,208</u>	<u>1,156,473</u>
	<u>\$ 4,375,482</u>	<u>\$ 3,505,488</u>	<u>\$ 5,034,667</u>
<b>Noncurrent</b>			
Provision for stabilization funds (c)	\$ 528,034	\$ 519,856	\$ 541,114
Provision for decommissioning obligations (d)	636,208	629,543	-
Others	<u>483,086</u>	<u>480,295</u>	<u>398,926</u>
	<u>\$ 1,647,328</u>	<u>\$ 1,629,694</u>	<u>\$ 940,040</u>

	Onerous Contracts	Construction Warranties	Provision for Stabilization Funds	Provision for Decommissioning Obligations	Others	Total
Balance on January 1, 2025	\$ 2,359,280	\$ 1,146,208	\$ 519,856	\$ 629,543	\$ 480,295	\$ 5,135,182
Recognized	527,191	368,842	8,544	6,665	10,459	921,701
Paid	-	(24,321)	(366)	-	(1,480)	(26,167)
Effect of foreign currency exchange differences	(1,718)	-	-	-	(6,188)	(7,906)
Balance on June 30, 2025	<u>\$ 2,884,753</u>	<u>\$ 1,490,729</u>	<u>\$ 528,034</u>	<u>\$ 636,208</u>	<u>\$ 483,086</u>	<u>\$ 6,022,810</u>
Balance on January 1, 2024	\$ 5,288,693	\$ 921,513	\$ 560,513	\$ -	\$ 387,403	\$ 7,158,122
Recognized (reversal)	(1,411,174)	261,146	6,878	-	12,469	(1,130,681)
Paid	-	(26,186)	(26,277)	-	(2,393)	(54,856)
Effect of foreign currency exchange differences	675	-	-	-	1,447	2,122
Balance on June 30, 2024	<u>\$ 3,878,194</u>	<u>\$ 1,156,473</u>	<u>\$ 541,114</u>	<u>\$ -</u>	<u>\$ 398,926</u>	<u>\$ 5,974,707</u>

- The provision for onerous contracts of the Corporation and its subsidiaries comes from the non-cancellable purchase contracts of which the provision amounts are measured using the difference between the unavoidable costs of meeting the contractual obligations and the economic benefits expected to be received from the contracts; and the non-cancellable construction contracts of which the provision amounts are measured using the difference between the expected unavoidable costs of meeting the contractual obligations and the economic benefits expected to be received from the contracts.
- The provision for construction warranties represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Corporation and its subsidiaries' obligations for warranties. The estimate had been made on the basis of historical warranty trends.
- The provision for stabilization funds represents the provision recognized in accordance with the build-operate-transfer contract by the subsidiary KRTC. The provision was used for capital demand due to force majeure, exceptional events, operating deficits, etc. The provision for stabilization funds was recognized based on increase in stabilization funds.

- d. The provision for decommissioning obligations represents the subsidiary ZN's obligation to restore the offshore land used for the construction and operation of its offshore wind farm in the waters off the coast of Changhua. This provision was recognized on the present value of the best estimate of the future outflow of economic benefits. The estimate will be reviewed regularly and adjusted according to the relevant regulations for the use of offshore land.

## 22. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the Corporation and its subsidiaries' defined benefit retirement plans were calculated using the actuarially determined pension cost rate as of December 31, 2024 and 2023. An analysis by function of the amounts is as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Operating costs	\$ 33,834	\$ 81,406	\$ 67,631	\$ 162,539
Operating expenses	37,819	45,846	76,925	92,041
Others	<u>119</u>	<u>203</u>	<u>235</u>	<u>410</u>
	<u>\$ 71,772</u>	<u>\$ 127,455</u>	<u>\$ 144,791</u>	<u>\$ 254,990</u>

## 23. EQUITY

### a. Share capital

	June 30, 2025	December 31, 2024	June 30, 2024
Number of shares authorized (in thousands)	<u>17,000,000</u>	<u>17,000,000</u>	<u>17,000,000</u>
Shares authorized	<u>\$ 170,000,000</u>	<u>\$ 170,000,000</u>	<u>\$ 170,000,000</u>
Number of shares issued and fully paid (in thousands)			
Ordinary shares (in thousands)	15,734,861	15,734,861	15,734,861
Preference shares (in thousands)	<u>38,268</u>	<u>38,268</u>	<u>38,268</u>
	<u>15,773,129</u>	<u>15,773,129</u>	<u>15,773,129</u>
Shares issued			
Ordinary shares	\$ 157,348,610	\$ 157,348,610	\$ 157,348,610
Preference shares	<u>382,680</u>	<u>382,680</u>	<u>382,680</u>
	<u>\$ 157,731,290</u>	<u>\$ 157,731,290</u>	<u>\$ 157,731,290</u>

#### 1) Ordinary shares

Fully paid ordinary shares, which have a par value of NT\$10, carry one vote per share and the right to dividends.

## 2) Preference shares

The Corporation's Articles of preference shareholders have the following entitlements or rights:

- a) 14% annual dividends, with dividend payments ahead of those to ordinary shareholders;
- b) Preference over ordinary shares in future payment of dividends in arrears;
- c) The sequence and percentage of appropriation of residual property are the same with ordinary shares;
- d) The same rights as ordinary shareholders, except the right to vote for directors; and
- e) Redeemable by the Corporation and convertible to ordinary shares by preference shareholders with the ratio of 1:1.

## 3) Overseas depositary receipts

In May 1992, February 1997, October 2003 and August 2011, the Corporation issued 126,512,550 units of GDR in the Europe, U.S., and Asia. The depositary receipts then increased by 6,924,354 units resulting from the capital increase out of retained earnings. Each unit represents 20 shares of the Corporation's ordinary shares and the issued GDRs account for the Corporation's ordinary shares totaling 2,668,738,370 shares (including 290 fractional shares). Under relevant regulations, the GDR holders may also request the conversion to the shares represented by the GDR. The foreign investors may also request the reissuance of such depositary receipts within the originally approved units. As of June 30, 2025, December 31, 2024 and June 30, 2024, the outstanding depositary receipts were 402,934 units, 413,493 units and 628,893 units, equivalent to 8,058,990 ordinary shares (including 310 fractional shares), 8,270,170 ordinary shares (including 310 fractional shares) and 12,578,170 ordinary shares (including 310 fractional shares), which represented 0.05%, 0.05% and 0.07% of all the outstanding ordinary shares, respectively.

## b. Capital surplus

	June 30, 2025	December 31, 2024	June 30, 2024
May be used to offset deficits, distribute cash or transfer to share capital (see 1 below)			
Additional paid-in capital	\$ 31,154,766	\$ 31,154,766	\$ 31,154,766
Treasury share transactions	8,766,830	8,766,830	8,649,345
Others	8,099	44,523	44,523
	<u>39,929,695</u>	<u>39,966,119</u>	<u>39,848,634</u>
May be used to offset deficits only			
Share of change in equity of subsidiaries (see 2 below)	907,660	907,802	806,103
Share of change in equity of associates	<u>216,182</u>	<u>208,993</u>	<u>132,057</u>
	<u>1,123,842</u>	<u>1,116,795</u>	<u>938,160</u>
	<u>\$ 41,053,537</u>	<u>\$ 41,082,914</u>	<u>\$ 40,786,794</u>

- 1) The capital surplus could be used to offset a deficit and distribute as cash dividends or transfer to capital when the Corporation has no deficit (limited to a certain percentage of the Corporation's paid-in capital and once a year).

- 2) The capital surplus included the share of change in equity of subsidiaries recognized without any actual acquisition or disposal of subsidiaries' share by the Corporation or the adjustments to capital surplus of subsidiaries under equity method.

c. Retained earnings and dividend policy

The Corporation's Articles of Incorporation provide that the annual net income, less any deficit, should be appropriated in the following order:

- 1) 10% as legal reserve;
- 2) Preference share dividends at 14% of par value;
- 3) Ordinary share dividends at no more than 14% of par value; and
- 4) The remainder, if any, as additional dividends divided equally between the holders of preference and ordinary shares.

The board of directors should propose the appropriation of earnings. If necessary, it may, after appropriating for preference shares dividends, propose to appropriate a special reserve or to retain certain earnings. These proposals should be submitted to the shareholders' meeting for approval.

The Corporation's steel business is in a phase of stable growth; thus, 75% or more of the appropriation for dividends should be in cash and 25% or less in shares.

Appropriation of earnings to legal reserve could be made until the legal reserve equals the Corporation's paid-in capital. Legal reserve may be used to offset deficit. If the Corporation has no deficit and the legal reserve has exceeded 25% of the Corporation's paid-in capital, the excess may be transferred to capital or distributed in cash.

Under Rule issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRS Accounting Standards", the Corporation should appropriate or reverse a special reserve. In addition, if the market price of the Corporation's ordinary shares held by subsidiaries is lower than the carrying value of the Corporation's shares held by subsidiaries, the Corporation should appropriate a special reserve equal to the difference between market price and carrying value multiplied by the percentage of ownership. Any special reserve appropriated may be reversed to the extent of the increase in valuation.

The appropriations of earnings for 2024 and 2023 had been approved in the shareholders' meeting in June 2025 and 2024, respectively. The appropriations and dividends per share were as follows:

	<b>Appropriation of Earnings</b>		<b>Dividend Per Share</b>	
	<b>For the Year Ended</b>		<b>(NT\$)</b>	
	<b>December 31</b>			
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Legal reserve	\$ 315,770	\$ 163,955		
Special reserve	2,431,770	-		
Preference shares				
Cash dividends	53,575	53,575	<u>\$ 1.40</u>	<u>\$ 1.40</u>
Ordinary shares				
Cash dividends	5,143,004	5,454,701	<u>\$ 0.33</u>	<u>\$ 0.35</u>

As of June 30, 2025 and 2024, the cash dividends declared have not been distributed to shareholders and was recognized as other payables.

d. Special reserves

	<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Balance, beginning of the period	\$ 26,912,231	\$ 26,913,635
Special reserve		
Difference due from the Corporation's shares held by subsidiaries in prices lower than carrying amount	2,431,770	-
Reversal in respect of		
Disposal of property, plant and equipment	<u>(154)</u>	<u>(415)</u>
Balance, end of the period	<u>\$ 29,343,847</u>	<u>\$ 26,913,220</u>

e. Other equity items

1) Exchange differences on translating foreign operations

	<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Balance, beginning of the period	\$ <u>(4,813,798)</u>	\$ <u>(6,296,189)</u>
Recognized during the period		
Exchange differences arising on translating the net assets of foreign operations	(3,784,986)	1,761,669
Income tax relating to exchange differences arising on translating the net assets of foreign operations	111,552	(53,173)
Share from accounted for using the equity method	<u>(367,636)</u>	<u>246,156</u>
Other comprehensive income (loss) recognized in the period	<u>(4,041,070)</u>	<u>1,954,652</u>
Balance, end of the period	<u>\$ (8,854,868)</u>	<u>\$ (4,341,537)</u>

2) Unrealized gains and losses on financial assets at fair value through other comprehensive income

	<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Balance, beginning of the period	\$ <u>(3,446,289)</u>	\$ <u>273,982</u>
Recognized during the period		
Unrealized gains and losses - equity instruments	(3,520,176)	1,283,076
Unrealized gains and losses - debt instruments	(2,889)	931
Income tax relating to unrealized gains and losses	(34,657)	522,195
Share from accounted for using the equity method	<u>25,543</u>	<u>(9,320)</u>
Other comprehensive income (loss) recognized in the period	<u>(3,532,179)</u>	<u>1,796,882</u>
Cumulative unrealized gain or loss of equity instruments transferred to retained earnings due to disposal	<u>842,945</u>	<u>(614,982)</u>
Balance, end of the period	<u>\$ (6,135,523)</u>	<u>\$ 1,455,882</u>



3) Gains and losses on hedging instrument

	<b>Cash Flow Hedges</b>	<b>Fair Value Hedges</b>	<b>Hedges of Net Investments in Foreign Operations</b>	<b>Total</b>
Balance on January 1, 2025	\$ 800,940	\$ 192,330	\$ 3,788,786	\$ 4,782,056
Increase (decrease) in the period	<u>(494,745)</u>	<u>7,891</u>	<u>-</u>	<u>(486,854)</u>
Balance on June 30, 2025	<u>\$ 306,195</u>	<u>\$ 200,221</u>	<u>\$ 3,788,786</u>	<u>\$ 4,295,202</u>
Balance on January 1, 2024	\$ 551,623	\$ 183,468	\$ 3,788,786	\$ 4,523,877
Increase in the period	<u>339,367</u>	<u>18,817</u>	<u>-</u>	<u>358,184</u>
Balance on June 30, 2024	<u>\$ 890,990</u>	<u>\$ 202,285</u>	<u>\$ 3,788,786</u>	<u>\$ 4,882,061</u>

a) Cash flow hedges

	<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Balance, beginning of the period	<u>\$ 800,940</u>	<u>\$ 551,623</u>
Recognized during the period		
Foreign currency risk - foreign exchange forward contracts and hedging foreign currency deposits	(167,109)	(208,624)
Interest rate risk - interest rate swap contracts	(460,869)	481,060
Share from accounted for using the equity method	(7,569)	2,826
Income tax effect	19,810	25,584
Reclassification adjustment		
Foreign currency risk - hedging foreign currency deposits	79,119	1,193
Income rate risk - interest rate swap contracts	57,697	37,567
Income tax effect	<u>(15,824)</u>	<u>(239)</u>
Other comprehensive income (loss) recognized in the period	<u>(494,745)</u>	<u>339,367</u>
Balance, end of the period	<u>\$ 306,195</u>	<u>\$ 890,990</u>

b) Fair value hedges

	<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Balance, beginning of the period	\$ 192,330	\$ 183,468
Recognized during the period		
Foreign currency risk - foreign currency bank loans	<u>7,891</u>	<u>18,817</u>
Balance, end of the period	<u>\$ 200,221</u>	<u>\$ 202,285</u>

c) Hedges of net investments in foreign operations

		For the Six Months Ended June 30			
		2025	2024		
Balance, beginning / end of the period		\$ 3,788,786	\$ 3,788,786		
f. Treasury shares					
Purpose of Treasury Shares	Thousand Shares			June 30	
	Beginning of the Period	Additions	Reduction	Thousand Shares	Book Value
For the six months ended June 30, 2025					
Shares transferred to employees	150,000	-	-	150,000	\$ 3,898,320
Shares held by subsidiaries reclassified from investments accounted for using the equity method to treasury shares	<u>335,468</u>	<u>7,655</u>	<u>-</u>	<u>343,123</u>	<u>9,219,913</u>
	<u>485,468</u>	<u>7,655</u>	<u>-</u>	<u>493,123</u>	<u>\$ 13,118,233</u>
For the six months ended June 30, 2024					
Shares transferred to employees	137,426	12,574	-	150,000	\$ 3,898,320
Shares held by subsidiaries reclassified from investments accounted for using the equity method to treasury shares	<u>327,813</u>	<u>7,655</u>	<u>-</u>	<u>335,468</u>	<u>9,025,153</u>
	<u>465,239</u>	<u>20,229</u>	<u>-</u>	<u>485,468</u>	<u>\$ 12,923,473</u>

The Corporation's shares held by subsidiaries for the purpose of investment are accounted for as treasury shares (subsidiaries recorded those shares as financial assets at fair value through other comprehensive income - current and financial assets at fair value through other comprehensive income - noncurrent) based on the percentage of ownership held by the Corporation. The Corporation's shares held by more than 50%-owned subsidiaries are not allowed to participate in the Corporation's capital increase in cash and have no voting rights; other rights are the same as other ordinary shareholders. The increase or decrease of treasury shares was mainly due to acquisition and sale of the Corporation's shares by subsidiaries or change in percentage of ownership.

Refer to Table 3 for the Corporation's shares held by subsidiaries as of June 30, 2025 were 524,286 thousand shares regardless of the percentage of ownership held by the Corporation. As of June 30, 2025, December 31, 2024 and June 30, 2024, the market values of the treasury shares calculated by combined holding percentage were NT\$6,452,186 thousand, NT\$6,593,383 thousand and NT\$7,750,701 thousand, respectively.

In November 2023, the Corporation's Board of Directors resolved to buy back 150,000 thousand shares of ordinary shares from the open market for transfer to employees. As of June 30, 2025, the actual buy back shares amounted to 150,000 thousand shares, with a payment of NT\$3,898,320 thousand, which had not yet been transferred to employees.

Under the Securities and Exchange Act, the number of shares bought back may not exceed 10% of the total number of issued and outstanding shares of the Corporation. The total amount of the shares bought back may not exceed the amount of retained earnings plus premium on capital stock plus realized capital reserve. The shares bought back to transfer to employees shall be transferred within five years from the date of buyback. The shares not transferred within the announced time limit shall be deemed as not issued by the Corporation, and amendment registration shall be processed.

The shares bought back for transfer to employees shall not be pledged and have no rights to vote and receive dividends.

g. Non-controlling interests

	<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Balance, beginning of the period	\$ 40,185,723	\$ 36,485,008
Attributable to non-controlling interests:		
Share of net profit for the period	155,167	806,918
Other comprehensive income (loss) in the period		
Exchange differences on translating foreign operations	(1,163,865)	368,651
Income tax relating to exchange differences on translating foreign operations	14,105	(1,477)
Unrealized gains and losses on financial assets at fair value through other comprehensive income	121,856	257,939
Income tax relating to unrealized gains and losses on financial assets at fair value through other comprehensive income	-	12,213
Gains and losses on hedging instrument	(449,792)	419,403
Income tax relating to gains and losses on hedging instrument	3,298	(2,404)
Share of other comprehensive income (loss) of associates accounted for using the equity method	(9,218)	5,505
Non-controlling interests arising from capital increase (decrease) of subsidiaries	417,970	1,163,260
Dividend distributed by subsidiaries	(2,366,854)	(2,085,294)
Acquisition of non-controlling interests of subsidiaries	(352,160)	(216,041)
Partial disposal of subsidiaries	12,999	11,997
Others	<u>(12,557)</u>	<u>224,404</u>
Balance, end of the period	<u>\$ 36,556,672</u>	<u>\$ 37,450,082</u>

## 24. OPERATING REVENUE

a. Contract balances

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>	<b>January 1, 2024</b>
Notes and accounts receivable (Note 10)	<u>\$ 12,459,682</u>	<u>\$ 15,829,837</u>	<u>\$ 12,546,992</u>	<u>\$ 12,891,681</u>
Contract assets				
Construction contracts	\$ 6,998,431	\$ 8,071,872	\$ 8,358,081	\$ 7,893,576
Retentions receivable	1,009,385	1,002,982	874,235	926,612
Others	<u>88,771</u>	<u>106,051</u>	<u>137,353</u>	<u>105,715</u>
	<u>\$ 8,096,587</u>	<u>\$ 9,180,905</u>	<u>\$ 9,369,669</u>	<u>\$ 8,925,903</u>

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Contract liabilities				
Construction contracts	\$ 4,496,558	\$ 2,848,223	\$ 3,218,135	\$ 2,418,280
Sale of goods	2,393,659	2,225,877	1,613,317	1,456,840
Others	<u>50,429</u>	<u>91,909</u>	<u>82,629</u>	<u>37,540</u>
	<u>\$ 6,940,646</u>	<u>\$ 5,166,009</u>	<u>\$ 4,914,081</u>	<u>\$ 3,912,660</u>

b. Disaggregation of revenue

For the six months ended June 30, 2025

	Steel Department	Non-Steel Department	Total
<u>Type of goods or services</u>			
Revenue from the sale of goods	\$ 124,813,910	\$ 24,444,739	\$ 149,258,649
Construction contract, service and other revenue	<u>1,916,007</u>	<u>17,092,272</u>	<u>19,008,279</u>
	<u>\$ 126,729,917</u>	<u>\$ 41,537,011</u>	<u>\$ 168,266,928</u>

For the six months ended June 30, 2024

	Steel Department	Non-Steel Department	Total
<u>Type of goods or services</u>			
Revenue from the sale of goods	\$ 146,039,924	\$ 25,983,735	\$ 172,023,659
Construction contract, service and other revenue	<u>3,171,025</u>	<u>13,131,446</u>	<u>16,302,471</u>
	<u>\$ 149,210,949</u>	<u>\$ 39,115,181</u>	<u>\$ 188,326,130</u>

## 25. PROFIT (LOSS) BEFORE TAX

a. Interest income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Bank deposits	\$ 263,785	\$ 417,889	\$ 474,739	\$ 628,095
Others	<u>65,142</u>	<u>70,330</u>	<u>112,476</u>	<u>114,610</u>
	<u>\$ 328,927</u>	<u>\$ 488,219</u>	<u>\$ 587,215</u>	<u>\$ 742,705</u>

b. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Dividends income	\$ 515,065	\$ 719,090	\$ 664,726	\$ 1,285,312
Rental income	44,370	40,569	90,069	81,083
Others	<u>246,980</u>	<u>239,159</u>	<u>448,489</u>	<u>396,139</u>
	<u>\$ 806,415</u>	<u>\$ 998,818</u>	<u>\$ 1,203,284</u>	<u>\$ 1,762,534</u>

c. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Net foreign exchange gain	\$ 88,504	\$ 317,155	\$ 398,773	\$ 668,284
Gain arising from financial assets at fair value through profit or loss	40,142	25,740	73,397	19,816
Gain (loss) on disposal of property, plant and equipment	(183)	16,115	32,257	16,017
Gain on disposal of investments	1,242	16,821	6,877	26,344
Others	<u>(96,916)</u>	<u>(220,201)</u>	<u>(198,701)</u>	<u>(357,093)</u>
	<u>\$ 32,789</u>	<u>\$ 155,630</u>	<u>\$ 312,603</u>	<u>\$ 373,368</u>

The components of net foreign exchange gain were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Foreign exchange gain	\$ 879,184	\$ 507,994	\$ 1,430,217	\$ 1,112,636
Foreign exchange loss	<u>(790,680)</u>	<u>(190,839)</u>	<u>(1,031,444)</u>	<u>(444,352)</u>
Net exchange gain	<u>\$ 88,504</u>	<u>\$ 317,155</u>	<u>\$ 398,773</u>	<u>\$ 668,284</u>

d. Finance costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Total interest expense	\$ 1,437,937	\$ 1,265,921	\$ 2,831,845	\$ 2,512,018
Less: Amounts included in the cost of qualifying assets	<u>151,907</u>	<u>314,753</u>	<u>299,813</u>	<u>642,617</u>
	<u>\$ 1,286,030</u>	<u>\$ 951,168</u>	<u>\$ 2,532,032</u>	<u>\$ 1,869,401</u>

Information about capitalized interest was as follows:

	<b>For the Three Months Ended June 30</b>		<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Capitalized amounts	\$ 151,907	\$ 314,753	\$ 299,813	\$ 642,617
Capitalized annual rates (%)	1.04-3.30	1.43-3.72	1.04-3.30	1.38-3.72

e. Impairment loss recognized on non-financial assets

	<b>For the Three Months Ended June 30</b>		<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Property, plant and equipment	\$ <u>-</u>	\$ <u>224,247</u>	\$ <u>-</u>	\$ <u>253,058</u>
Analysis of recognition of impairment loss on non-financial assets by function				
Operating costs	\$ <u>-</u>	\$ <u>224,247</u>	\$ <u>-</u>	\$ <u>253,058</u>

f. Depreciation and amortization

	<b>For the Three Months Ended June 30</b>		<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Property, plant and equipment	\$ 7,845,875	\$ 7,535,708	\$ 15,878,590	\$ 15,071,471
Right-of-use assets	326,976	322,820	653,001	711,536
Investment properties	14,583	9,881	26,241	19,505
Intangible assets	29,334	34,871	61,607	72,907
Others	<u>8,792</u>	<u>11,460</u>	<u>17,065</u>	<u>19,258</u>
	<u>\$ 8,225,560</u>	<u>\$ 7,914,740</u>	<u>\$ 16,636,504</u>	<u>\$ 15,894,677</u>
Analysis of depreciation by function				
Operating costs	\$ 7,870,080	\$ 7,549,319	\$ 15,916,823	\$ 15,161,461
Operating expenses	303,048	307,504	612,451	617,887
Others	<u>14,306</u>	<u>11,586</u>	<u>28,558</u>	<u>23,164</u>
	<u>\$ 8,187,434</u>	<u>\$ 7,868,409</u>	<u>\$ 16,557,832</u>	<u>\$ 15,802,512</u>
Analysis of amortization by function				
Operating costs	\$ 14,323	\$ 20,054	\$ 31,140	\$ 40,133
Operating expenses	<u>23,803</u>	<u>26,277</u>	<u>47,532</u>	<u>52,032</u>
	<u>\$ 38,126</u>	<u>\$ 46,331</u>	<u>\$ 78,672</u>	<u>\$ 92,165</u>

g. Employee benefits

	<b>For the Three Months Ended June 30</b>		<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Short-term employee benefits				
Salaries	\$ 7,159,679	\$ 7,615,733	\$ 14,642,565	\$ 15,071,785
Labor and health insurance	628,250	604,303	1,265,189	1,230,914
Others	364,509	369,239	702,281	728,198
	<u>8,152,438</u>	<u>8,589,275</u>	<u>16,610,035</u>	<u>17,030,897</u>
Post-employment benefits				
Defined contribution plans	328,908	312,061	644,601	613,581
Defined benefit plans (Note 22)	<u>71,772</u>	<u>127,455</u>	<u>144,791</u>	<u>254,990</u>
	<u>400,680</u>	<u>439,516</u>	<u>789,392</u>	<u>868,571</u>
Termination benefits	<u>22,843</u>	<u>16,517</u>	<u>41,946</u>	<u>20,966</u>
	<u>\$ 8,575,961</u>	<u>\$ 9,045,308</u>	<u>\$ 17,441,373</u>	<u>\$ 17,920,434</u>
Analysis of employee benefits by function				
Operating costs	\$ 6,927,068	\$ 7,262,260	\$ 14,053,788	\$ 14,407,283
Operating expenses	1,500,522	1,645,115	3,083,010	3,250,218
Others	<u>148,371</u>	<u>137,933</u>	<u>304,575</u>	<u>262,933</u>
	<u>\$ 8,575,961</u>	<u>\$ 9,045,308</u>	<u>\$ 17,441,373</u>	<u>\$ 17,920,434</u>

h. Compensation of employees and remuneration of directors

According to the Articles of Incorporation, the article stipulates the Corporation distributed compensation of employees and remuneration of directors at the rates no less than 0.1% and no higher than 0.15%, respectively, of the pre-tax profit prior to deducting compensation of employees and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Corporation resolved the amendments to the Articles of Incorporation at their 2025 regular meeting. The amendments explicitly stipulate the allocation of 30% to 50% of the compensation of employees as compensation distributions for non-executive employees.

The compensation of employees (including non-executive employees) and remuneration of directors for the three months and six months ended June 30, 2025 and 2024 were as follows:

	<b>For the Three Months Ended June 30</b>		<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Compensation of employees	\$ (60,212)	\$ 66,920	\$ -	\$ 66,920
Remuneration of directors	(1,129)	1,255	-	1,255

No compensation of employees and remuneration of directors was estimated due to the loss before income tax for the six months ended June 30, 2025.

The appropriations of compensation of employees and remuneration of directors (all in cash) for 2024 and 2023 which had been approved by the Corporation's board of directors in February 2025 and 2024, respectively, were as follows:

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Compensation of employees	\$ 2,853	\$ 117,132
Remuneration of directors	-	2,196

There is no difference between the amounts of compensation of employees and remuneration of directors approved in the board of directors and the amounts recognized in the financial statements for the years ended December 31, 2024 and 2023.

Information on the compensation of employees and remuneration of directors resolved by the board of directors are available on the Market Observation Post System website of the Taiwan Stock Exchange.

## 26. INCOME TAX

### a. Income tax recognized in profit or loss

	<b>For the Three Months Ended June 30</b>		<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Current tax				
In respect of the current period	\$ 169,952	\$ 666,161	\$ 756,381	\$ 1,392,163
Income tax on unappropriated earnings	10,832	9,040	10,832	9,040
In respect of prior years	(72,976)	(5,554)	(83,483)	39,090
Deferred tax				
In respect of the current period	(482,443)	(203,625)	(748,420)	(585,754)
In respect of prior years	<u>5,939</u>	<u>(86,425)</u>	<u>398</u>	<u>(127,973)</u>
	<u>\$ (368,696)</u>	<u>\$ 379,597</u>	<u>\$ (64,292)</u>	<u>\$ 726,566</u>

### b. Income tax recognized directly in equity

	<b>For the Three Months Ended June 30</b>		<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Current tax				
Reversal of special reserve due to disposal of property, plant and equipment	\$ 12	\$ 95	\$ 48	\$ 128
Deferred tax				
Reversal of special reserve due to disposal of property, plant and equipment	<u>(12)</u>	<u>(95)</u>	<u>(48)</u>	<u>(128)</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



c. Income tax benefit (expense) recognized in other comprehensive income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Deferred tax				
Current - translation of foreign operations	\$ 140,034	\$ (12,449)	\$ 125,657	\$ (54,650)
Current - unrealized gains and losses on financial assets at fair value through other comprehensive income	(46,301)	16,660	(34,657)	534,408
Current - fair value changes of cash flow hedges	37,248	23,700	20,282	24,758
Fair value changes of hedging instruments in cash flow hedges transferred to adjust carrying amounts of hedged items	<u>(701)</u>	<u>1,438</u>	<u>(12,998)</u>	<u>(1,817)</u>
	<u>\$ 130,280</u>	<u>\$ 29,349</u>	<u>\$ 98,284</u>	<u>\$ 502,699</u>

d. Income tax assessments

The Corporation's income tax returns through 2023 and the subsidiaries' income tax returns through 2021 to 2023 have been assessed by the tax authorities, except for the Corporation's income tax returns of 2022 which have not yet been approved.

## 27. EARNINGS (LOSS) PER SHARE

The net profit (loss) and weighted average number of ordinary shares outstanding in the computation of earnings (loss) per share were as follows:

Net profit (loss) for the period

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Net profit (loss) for the period attributable to owners of the Corporation	\$ (1,901,721)	\$ 1,324,289	\$ (1,658,506)	\$ 1,964,902
Less: Dividends on preference shares	<u>-</u>	<u>13,394</u>	<u>-</u>	<u>26,788</u>
Net profit (loss) used in computation of basic earnings (loss) per share	(1,901,721)	1,310,895	(1,658,506)	1,938,114
Add: Dividends on preference shares	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net profit (loss) used in computation of diluted earnings (loss) per share	<u>\$ (1,901,721)</u>	<u>\$ 1,310,895</u>	<u>\$ (1,658,506)</u>	<u>\$ 1,938,114</u>

Number of shares (in thousand shares)

	<b>For the Three Months Ended June 30</b>		<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Weighted average number of ordinary shares used in computation of basic earnings (loss) per share	15,246,841	15,254,496	15,248,117	15,255,772
Effect of dilutive potential ordinary shares:				
Compensation of employees	-	2,897	-	4,464
Convertible preference shares	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Weighted average number of ordinary shares used in computation of diluted earnings (loss) per share	<u>15,246,841</u>	<u>15,257,393</u>	<u>15,248,117</u>	<u>15,260,236</u>

Preference shares were not included in the calculation of diluted earnings (loss) per share for the three months and six months ended June 30, 2025 and 2024 because of their anti-dilutive effect.

Since the Corporation offered to settle the compensation paid to employees in cash or shares, the Corporation assumed the entire amount of the compensation will be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

## **28. CAPITAL MANAGEMENT**

The management of the Corporation and its subsidiaries optimized the balances of working capital, debt and equity as well as the related cost through monitoring the Corporation and its subsidiaries' capital structure and capital demand by reviewing quantitative data and considering industry characteristics, domestic and international economic environment, interest rate fluctuation, strategies for development, etc.

## **29. FINANCIAL INSTRUMENTS**

### **a. Fair value of financial instruments that are not measured at fair value**

The Corporation and its subsidiaries believe the carrying amounts of financial instruments, including cash and cash equivalents, receivables and payables recognized in the consolidated financial statements approximated their fair values.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

	Level 1	Level 2	Level 3	Total
<u>June 30, 2025</u>				
Financial assets at fair value through profit or loss				
Mutual funds	\$ 3,839,418	\$ -	\$ 11,962	\$ 3,851,380
Unlisted shares	-	-	525,740	525,740
Emerging market shares	-	-	37,471	37,471
Listed shares	48,872	-	-	48,872
Corporate bonds	9,284	-	-	9,284
Convertible bonds	83,375	-	-	83,375
Subordinated debt	50,000	-	-	50,000
Foreign exchange forward contracts	<u>-</u>	<u>46</u>	<u>-</u>	<u>46</u>
	<u>\$ 4,030,949</u>	<u>\$ 46</u>	<u>\$ 575,173</u>	<u>\$ 4,606,168</u>
Financial liabilities at fair value through profit or loss				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 249</u>	<u>\$ -</u>	<u>\$ 249</u>
Financial assets at fair value through other comprehensive income				
Foreign unlisted shares and certificate of entitlement	\$ -	\$ -	\$ 27,586,759	\$ 27,586,759
Domestic listed shares	17,112,267	-	-	17,112,267
Domestic emerging market shares and unlisted shares	-	-	2,930,685	2,930,685
Foreign listed shares	2,509,610	-	-	2,509,610
Corporate bonds	46,627	-	-	46,627
Subordinated debt	<u>41,738</u>	<u>-</u>	<u>-</u>	<u>41,738</u>
	<u>\$ 19,710,242</u>	<u>\$ -</u>	<u>\$ 30,517,444</u>	<u>\$ 50,227,686</u>
Financial assets for hedging				
Interest rate swap contracts	\$ -	\$ 788,549	\$ -	\$ 788,549
Foreign exchange forward contracts	-	19,409	-	19,409
Future contracts	<u>-</u>	<u>15,964</u>	<u>-</u>	<u>15,964</u>
	<u>\$ -</u>	<u>\$ 823,922</u>	<u>\$ -</u>	<u>\$ 823,922</u>
Financial liabilities for hedging				
Interest rate swap contracts	\$ -	\$ 46,757	\$ -	\$ 46,757
Foreign exchange forward contracts	<u>-</u>	<u>43,707</u>	<u>-</u>	<u>43,707</u>
	<u>\$ -</u>	<u>\$ 90,464</u>	<u>\$ -</u>	<u>\$ 90,464</u>

	Level 1	Level 2	Level 3	Total
<u>December 31, 2024</u>				
Financial assets at fair value through profit or loss				
Mutual funds	\$ 3,941,496	\$ -	\$ 12,415	\$ 3,953,911
Unlisted shares	-	-	765,759	765,759
Emerging market shares	-	-	78,359	78,359
Listed shares	108,063	-	-	108,063
Corporate bonds	16,604	-	-	16,604
Convertible bonds	82,103	-	-	82,103
Convertible bond call options and put options, net	-	-	-	-
Subordinated debt	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
	<u>\$ 4,198,266</u>	<u>\$ -</u>	<u>\$ 856,533</u>	<u>\$ 5,054,799</u>
Financial liabilities at fair value through profit or loss				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 1,055</u>	<u>\$ -</u>	<u>\$ 1,055</u>
Financial assets at fair value through other comprehensive income				
Foreign unlisted shares and certificate of entitlement	\$ -	\$ -	\$ 30,983,887	\$ 30,983,887
Domestic listed shares	18,492,342	-	-	18,492,342
Domestic emerging market shares and unlisted shares	-	-	3,264,947	3,264,947
Foreign listed shares	2,581,581	-	-	2,581,581
Corporate bonds	35,012	-	-	35,012
Subordinated debt	<u>46,683</u>	<u>-</u>	<u>-</u>	<u>46,683</u>
	<u>\$ 21,155,618</u>	<u>\$ -</u>	<u>\$ 34,248,834</u>	<u>\$ 55,404,452</u>
Financial assets for hedging				
Interest rate swap contracts	\$ -	\$ 1,532,325	\$ -	\$ 1,532,325
Foreign exchange forward contracts	<u>-</u>	<u>131,027</u>	<u>-</u>	<u>131,027</u>
	<u>\$ -</u>	<u>\$ 1,663,352</u>	<u>\$ -</u>	<u>\$ 1,663,352</u>
Financial liabilities for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 7,527</u>	<u>\$ -</u>	<u>\$ 7,527</u>

	Level 1	Level 2	Level 3	Total
<u>June 30, 2024</u>				
Financial assets at fair value through profit or loss				
Mutual funds	\$ 3,057,092	\$ -	\$ 9,726	\$ 3,066,818
Unlisted shares	-	-	715,477	715,477
Emerging market shares	-	-	95,832	95,832
Listed shares	181,091	-	-	181,091
Corporate bonds	16,413	-	-	16,413
Convertible bonds	105,337	-	-	105,337
Convertible bonds call options and put options, net	-	-	190	190
Subordinated debt	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
	<u>\$ 3,409,933</u>	<u>\$ -</u>	<u>\$ 821,225</u>	<u>\$ 4,231,158</u>
Financial liabilities at fair value through profit or loss				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 324</u>	<u>\$ -</u>	<u>\$ 324</u>
Financial assets at fair value through other comprehensive income				
Foreign unlisted shares and certificate of entitlement	\$ -	\$ -	\$ 35,402,890	\$ 35,402,890
Domestic listed shares	19,519,791	-	-	19,519,791
Domestic emerging market shares and unlisted shares	-	-	3,114,777	3,114,777
Foreign listed shares	2,661,033	-	-	2,661,033
Corporate bonds	<u>147,901</u>	<u>-</u>	<u>-</u>	<u>147,901</u>
	<u>\$ 22,328,725</u>	<u>\$ -</u>	<u>\$ 38,517,667</u>	<u>\$ 60,846,392</u>
Financial assets for hedging				
Interest rate swap contracts	\$ -	\$ 1,608,404	\$ -	\$ 1,608,404
Foreign exchange forward contracts	-	400,664	-	400,664
Future contracts	<u>-</u>	<u>22,573</u>	<u>-</u>	<u>22,573</u>
	<u>\$ -</u>	<u>\$ 2,031,641</u>	<u>\$ -</u>	<u>\$ 2,031,641</u>
Financial liabilities for hedging				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 10,662</u>	<u>\$ -</u>	<u>\$ 10,662</u>

There was no transfer between Level 1 and Level 2 for the six months ended June 30, 2025 and 2024.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the six months ended June 30, 2025

	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Financial Assets at Fair Value Through Other Comprehensive Income</b>	<b>Total</b>
<hr/> <b>Financial Assets</b> <hr/>			
Balance, beginning of the period	\$ 856,533	\$ 34,248,834	\$ 35,105,367
Recognized in profit or loss	33,885	-	33,885
Recognized in other comprehensive income (loss)	-	(3,138,825)	(3,138,825)
Purchases	6,395	29,011	35,406
Transfer out of Level 3	-	(119,647)	(119,647)
Disposals	(321,640)	(105,347)	(426,987)
Effect of foreign currency exchange differences	<u>-</u>	<u>(396,582)</u>	<u>(396,582)</u>
Balance, end of the period	<u>\$ 575,173</u>	<u>\$ 30,517,444</u>	<u>\$ 31,092,617</u>

For the six months ended June 30, 2024

	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Financial Assets at Fair Value Through Other Comprehensive Income</b>	<b>Total</b>
<hr/> <b>Financial Assets</b> <hr/>			
Balance, beginning of the period	\$ 898,519	\$ 38,364,398	\$ 39,262,917
Recognized in profit or loss	(51,993)	-	(51,993)
Recognized in other comprehensive income (loss)	-	273,794	273,794
Purchases	15,817	135,552	151,369
Transfer out of Level 3	-	(207,609)	(207,609)
Disposals	(41,118)	(180,577)	(221,695)
Reduction of capital cash return	-	(70,652)	(70,652)
Effect of foreign currency exchange differences	<u>-</u>	<u>202,761</u>	<u>202,761</u>
Balance, end of the period	<u>\$ 821,225</u>	<u>\$ 38,517,667</u>	<u>\$ 39,338,892</u>

- 3) Valuation techniques and inputs applied for the purpose of measuring Level 2 fair value measurement

<b>Financial Instrument</b>	<b>Valuation Techniques and Inputs</b>
Derivative instruments	A discounted cash flow analysis was performed by using the applicable yield curve for the duration of the instruments for non-option derivatives, and option pricing models for option derivatives. The estimates and assumptions used by the Corporation and its subsidiaries were consistent with those that market participants would use in setting a price for the financial instrument.

- 4) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

- a) For emerging market shares, fair values were estimated on the basis of the closing price and liquidity.
- b) For domestic unlisted shares, some foreign unlisted shares and certificate of entitlement, fair values were measured using the market approach. The determination was based on industry types or valuations of similar companies and operations.
- c) For other foreign unlisted shares, fair values were measured under income approach and calculated by the present value of the expected returns by using a discounted cash flow model. Significant unobservable inputs were as follows; if the long-term pre-tax operating income rate increased or discount rate decreased, the fair value of the investments would increase.

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Long-term pre-tax operating income rate (%)	12.52	12.24	9.26
Discount rate (%)	10.82	10.82	9.79

If the below input to the valuation model was changed to reflect reasonably possible alternative assumptions while all other variables were held constant, the fair value of the equity investment would increase (decrease) as follows:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Long-term pre-tax operating income rate			
Increase 1%	<u>\$ 211,815</u>	<u>\$ 212,514</u>	<u>\$ 237,481</u>
Decrease 1%	<u>\$ (211,815)</u>	<u>\$ (212,514)</u>	<u>\$ (237,481)</u>
Discount rate			
Increase 1%	<u>\$ (264,426)</u>	<u>\$ (275,039)</u>	<u>\$ (253,730)</u>
Decrease 1%	<u>\$ 333,761</u>	<u>\$ 347,455</u>	<u>\$ 329,513</u>

- d) For parts of foreign unlisted shares, their fair values were measured under the market approach. In particular significant unobservable inputs included discount for lack of marketability and control premium. If discount for lack of marketability decreased or control premium increased, the fair values of the investments would increase.
- e) Derivative financial instruments - convertible bonds were determined using the binomial option pricing model, where the unobservable input is stock market volatility, risk-free interest rate, discount rate and liquidity risk.
- f) For parts of mutual funds, their fair values were estimated on the carrying amount of the company's net assets.

c. Categories of financial instruments

	June 30, 2025	December 31, 2024	June 30, 2024
<b>Financial assets</b>			
Financial assets at fair value through profit or loss	\$ 4,606,168	\$ 5,054,799	\$ 4,231,158
Financial assets for hedging	1,991,608	4,931,997	7,036,012
Financial assets at amortized cost 1)	60,971,083	57,447,574	55,899,198
Financial assets at fair value through other comprehensive income	50,227,686	55,404,452	60,846,392
<b>Financial liabilities</b>			
Financial liabilities at fair value through profit or loss	249	1,055	324
Financial liabilities for hedging	859,810	1,120,637	923,558
Financial liabilities at amortized cost 2)	296,672,553	308,634,381	295,836,026

- 1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, notes and accounts receivable (including related parties), other receivables, financial assets at amortized cost - noncurrent, refundable deposits and other financial assets.
- 2) The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings and bank overdraft, short-term bills payable, notes and accounts payable (including related parties), other payables, refund liabilities, bonds payable, long-term bank borrowings, long-term bills payable and deposits received.

d. Financial risk management objectives and policies

The Corporation and its subsidiaries place great emphasis on financial risk management. By tracking and managing the market risk, credit risk, and liquidity risk efficiently, the management ensured that the Corporation and its subsidiaries were equipped with sufficient and cost-efficient working capital, which reduced financial uncertainty that may have adverse effects on the operations.

The significant financial activities of the Corporation and its subsidiaries are reviewed by the board of directors in accordance with relevant regulations and internal controls. The finance department follows the accountability and related financial risk control procedures required by the Corporation and its subsidiaries for executing financial projects. Compliance with policies and exposure limits is continually reviewed by the internal auditors. The Corporation and its subsidiaries did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.



1) Market risk

a) Foreign currency risk

The Corporation and its subsidiaries were exposed to foreign currency risk due to sales, purchases, capital expenditures and equity investments denominated in foreign currencies. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contracts, foreign deposits or foreign borrowings.

The carrying amounts of the significant non-functional currency monetary assets and liabilities (including those eliminated on consolidation) at the balance sheet date were referred to Note 33.

The Corporation and its subsidiaries were mainly exposed to the currencies USD and CNY. The following table details the sensitivity to a 1% increase in the functional currencies against the relevant foreign currencies.

	USD Impact		CNY Impact	
	For the Six Months		For the Six Months	
	Ended June 30		Ended June 30	
	2025	2024	2025	2024
Pre-tax profit or (loss)	\$ 51,117	\$ 45,419 i	\$ (2,999)	\$ (3,904) i
Equity	(1,093)	(4,967) ii	(1,703)	(4,691) ii

i. These were mainly attributable to the exposure of bank deposits, receivables, payables and borrowings which were not hedged at the balance sheet date.

ii. These were attributable to financial assets for hedging that were designated as hedging instruments in cash flow hedges.

In management's opinion, the sensitivity analysis was unrepresentative of the inherent foreign exchange risk because the exposure at the balance sheet date did not reflect the exposure during the period.

Hedge accounting

The Corporation and its subsidiaries' hedging strategies were as follows:

- i. The Corporation and its subsidiaries' hedging strategy is to enter into foreign exchange forward contracts and purchase foreign currency to hedge. Those transactions are designated as cash flow hedges.
- ii. The Corporation has designated certain long term foreign currency borrowing as a hedge to manage its foreign currency risk:
  - i) Currency risks on foreign equity investments are accounted for as fair value hedge. Changes in the fair value of hedging instruments are recognized, based on the nature of hedged items, either in other gains or losses or other comprehensive income. The Corporation performs assessment of hedging effectiveness and it expects that the value of foreign currency borrowing and the value of the foreign equity investment will systematically change in opposite direction in response to movements in the underlying exchange rates.
  - ii) Foreign currency risk on investments in foreign operations is managed by using foreign currency borrowing as a hedge instrument to hedge the investments.

The following tables summarize the information relating to the hedges of foreign currency risk.

June 30, 2025

Hedging Instruments/ Hedged Items	Line Item in Balance Sheet	Carrying Amount				
		Asset	Liability			
Cash flow hedge						
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	Financial assets/liabilities for hedging	\$ 19,379	\$ 43,707			
Hedging foreign currency deposits/Forecast purchases, construction contracts and raw materials	Financial assets for hedging	1,167,686	-			
Fair value hedge						
Foreign exchange forward contracts/Payables for raw materials	Financial assets for hedging	30	-			
Foreign currency bank borrowings/Financial assets at FVTOCI	Financial liabilities for hedging	-	246,927			
Foreign currency bank borrowings/Financial assets at FVTPL	Financial liabilities for hedging	-	441,887			
Net investment hedge in foreign operations						
Foreign currency bank borrowings/Investment in foreign operations	-	-	-			
Hedging Instruments/ Hedged Items	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity		Fair Value Hedge - Accumulated Amount of Fair Value Hedge Adjustments	
			Continuing Hedges	Discounting Hedges	Fair Value Hedge - Carrying Amount Asset	Fair Value Hedge - Accumulated Amount of Fair Value Hedge Adjustments Asset
Cash flow hedge						
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	\$ (147,828)	\$ 147,828	\$ (24,328)	\$ -	NA	NA
Hedging foreign currency deposits/Forecast purchases, construction contracts and raw materials	(2,593)	2,593	(104,375)	-	NA	NA
Fair value hedge						
Foreign exchange forward contracts/Payables for raw materials	(58)	58	NA	NA	\$ -	\$ -
Foreign currency bank borrowings/Financial assets at FVTOCI	7,891	(7,813)	111,301	88,920	466,193	(101,345)

Hedging Instruments/ Hedged Items	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity		Fair Value Hedge - Hedged Items' Carrying Amount Asset	Fair Value Hedge - Accumulated Amount of Fair Value Hedge Adjustments Asset
			Continuing Hedges	Discounting Hedges		
Foreign currency bank borrowings/Financial assets at FVTPL	\$ (4,766)	\$ (14,443)	NA	NA	\$ 420,592	\$ (226,908)
Net investment hedge in foreign operations						
Foreign currency bank borrowings/Investment in foreign operations	-	-	-	3,788,786	NA	NA

June 30, 2024

Hedging Instruments/ Hedged Items	Line Item in Balance Sheet	Carrying Amount	
		Asset	Liability
Cash flow hedge			
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	Financial assets/liabilities for hedging	\$ 400,600	\$ 10,662
Hedging foreign currency deposits/Forecast purchases, construction contracts and raw materials	Financial assets for hedging	5,004,371	-
Fair value hedge			
Foreign exchange forward contracts/Payables for raw materials	Financial assets for hedging	64	-
Foreign currency bank borrowings/Financial assets at FVTOCI	Financial liabilities for hedging	-	244,864
Foreign currency bank borrowings/Financial assets at FVTPL	Financial liabilities for hedging	-	662,282
Net investment hedge in foreign operations			
Foreign currency bank borrowings/Investment in foreign operations	-	-	-

Hedging Instruments/ Hedged Items	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity		Fair Value Hedge - Hedged Items' Carrying Amount Asset	Fair Value Hedge - Accumulated Amount of Fair Value Hedge Adjustments Asset
			Continuing Hedges	Discounting Hedges		
Cash flow hedge						
Foreign exchange forward contracts/Forecast purchases, construction contracts and raw materials	\$ (86,425)	\$ 86,425	\$ 389,938	\$ -	NA	NA
Hedging foreign currency deposits/Forecast purchases, construction contracts and raw materials	(199,890)	199,890	(256,778)	-	NA	NA
Fair value hedge						
Foreign exchange forward contracts/Payables for raw materials	3	(3)	NA	NA	\$ -	\$ -
Foreign currency bank borrowings/Financial assets at FVTOCI	18,817	(18,631)	113,365	88,920	453,422	(103,388)
Foreign currency bank borrowings/Financial assets at FVTPL	50,894	(51,662)	NA	NA	614,474	(346,028)
Net investment hedge in foreign operations						
Foreign currency bank borrowings/Investment in foreign operations	-	-	-	3,788,786	NA	NA

For the three months ended June 30, 2025

Effect on Comprehensive Income (Loss)	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in P/L	Line Item in Which Hedge Ineffec - tiveness is Included	Amount Reclassified to P/L and the Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Cash flow hedge	\$ (277,277)	\$ -	-	\$ -	\$ -

For the three months ended June 30, 2024

Effect on Comprehensive Income (Loss)	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in P/L	Line Item in Which Hedge Ineffec - tiveness is Included	Amount Reclassified to P/L and the Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Cash flow hedge	\$ (281,653)	\$ -	-	\$ -	\$ -

For the six months ended June 30, 2025

Effect on Comprehensive Income (Loss)	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in P/L	Line Item in Which Hedge Ineffec - tiveness is Included	Amount Reclassified to P/L and the Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Cash flow hedge	\$ (150,421)	\$ -	-	\$ -	\$ -

For the six months ended June 30, 2024

Effect on Comprehensive Income (Loss)	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in P/L	Line Item in Which Hedge Ineffec - tiveness is Included	Amount Reclassified to P/L and the Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Cash flow hedge	\$ (286,315)	\$ -	-	\$ -	\$ -

The outstanding foreign exchange forward contracts of the Corporation and its subsidiaries at the balance sheet date were as follows:

	Currency	Period for Generating Cash Flows and Maturity Date	Contract Amount (In Thousands)
<u>June 30, 2025</u>			
Buy	NTD/USD	2025.08-2027.03	NTD473,945/USD16,250
Buy	NTD/JPY	2025.07-2027.06	NTD159,068/JPY744,097
Buy	NTD/EUR	2025.07-2026.08	NTD61,273/EUR1,832
Buy	NTD/CNY	2025.07-2026.06	NTD293,879/CNY67,187
Buy	INR/USD	2025.07	INR85,489/USD997
Sell	USD/NTD	2025.07	USD74/NTD2,311
<u>December 31, 2024</u>			
Buy	NTD/USD	2025.01-2026.08	NTD1,554,925/USD49,914
Buy	NTD/JPY	2025.01-2025.08	NTD132,520/JPY599,077
Buy	NTD/EUR	2025.01-2026.08	NTD462,941/EUR13,660
Buy	NTD/CNY	2025.01-2025.10	NTD242,874/CNY54,339
Sell	USD/NTD	2025.07	USD63/NTD1,963
<u>June 30, 2024</u>			
Buy	NTD/USD	2024.07-2026.08	NTD1,982,129/USD68,071
Buy	NTD/JPY	2024.07-2025.08	NTD142,878/JPY649,473
Buy	NTD/EUR	2024.07-2026.08	NTD2,555,414/EUR79,739
Buy	NTD/CNY	2024.07-2025.06	NTD204,606/CNY46,822
Buy	INR/USD	2024.07	INR66,288/USD796

b) Interest rate risk

The Corporation and its subsidiaries were exposed to interest rate risk because the Corporation and its subsidiaries borrowed funds at both fixed and floating interest rates. The risk is managed by the Corporation and its subsidiaries by maintaining an appropriate mix of fixed and floating rate borrowings and using interest rate swap contracts.

The carrying amounts of the Corporation and its subsidiaries' financial liabilities with exposure to interest rates at the balance sheet date were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Fair value interest rate risk			
Financial liabilities	\$ 116,305,055	\$ 104,130,732	\$ 127,382,585
Cash flow interest rate risk			
Financial liabilities	154,738,773	168,631,479	142,833,770

If interest rates had been 1% higher/lower and all other variables were held constant, the Corporation and its subsidiaries' pre-tax loss for the six months ended June 30, 2025 would have been higher/lower by NT\$773,694 thousand, and pre-tax profit for the six months ended June 30, 2024 would have been lower/higher by NT\$714,169 thousand.

#### Hedge accounting

A subsidiary entered into interest rate swap contracts to mitigate the risk of changes in interest rates on cash flow exposure related to its outstanding variable rate debt. Interest rate swaps are settled on a quarterly basis. The floating rate on interest rate swaps is the local interbank rate of Taipei. The subsidiary will settle the difference between the fixed and floating interest rates on a net basis.

The following tables summarize the information relating to the hedges for interest rate risk:

#### June 30, 2025

<b>Hedging Instrument/ Hedged Item</b>	<b>Notional Amount</b>	<b>Maturity</b>	<b>Range of Interest Rates Paid (%)</b>	<b>Range of Interest Rates Received (%)</b>
Cash flow hedge				
Interest rate swap contracts/Expected bank interest	\$ 41,250,000	2027.03-2031.12	0.994-1.81	1.68
<b>Hedging Instrument/ Hedged Item</b>	<b>Line Item in Balance Sheet</b>	<b>Carrying Amount</b>		
		<b>Asset</b>	<b>Liability</b>	
Cash flow hedge				
Interest rate swap contracts/Expected bank interest	Financial assets/liabilities for hedging	\$ 788,549	\$ 46,757	
<b>Hedging Instrument/ Hedged Item</b>	<b>Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness</b>	<b>Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness</b>	<b>Balance in Other Equity</b>	
			<b>Continuing Hedges</b>	<b>Discontinuing Hedges</b>
Cash flow hedge				
Interest rate swap contracts/Expected bank interest	\$ (790,533)	\$ 790,533	\$ 741,792	\$ -

June 30, 2024

<b>Hedging Instrument/ Hedged Item</b>	<b>Notional Amount</b>	<b>Maturity</b>	<b>Range of Interest Rates Paid (%)</b>	<b>Range of Interest Rates Received (%)</b>
Cash flow hedge Interest rate swap contracts/Expected bank interest	\$ 41,250,000	2031.12	0.994	1.62

<b>Hedging Instrument/ Hedged Item</b>	<b>Line Item in Balance Sheet</b>	<b>Carrying Amount</b>	
		<b>Asset</b>	<b>Liability</b>
Cash flow hedge Interest rate swap contracts/Expected bank interest	Financial assets for hedging	\$ 1,608,404	\$ -

<b>Hedging Instrument/ Hedged Item</b>	<b>Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness</b>	<b>Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness</b>	<b>Balance in Other Equity</b>	
			<b>Continuing Hedges</b>	<b>Discontinuing Hedges</b>
Cash flow hedge Interest rate swap contracts/Expected bank interest	\$ 1,016,914	\$ (1,016,914)	\$ 1,608,404	\$ -

c) Other price risk

The Corporation and its subsidiaries were exposed to equity price risk through their investments in mutual funds and listed shares.

If equity prices had been 1% lower/higher, the pre-tax profit or loss for the six months ended June 30, 2025 and 2024 would have been lower/higher by NT\$38,883 thousand and NT\$32,382 thousand, respectively, as a result of the fair value changes of financial assets at fair value through profit or loss, and the other comprehensive income for the six months ended June 30, 2025 and 2024 would have been lower/higher by NT\$196,219 thousand and NT\$221,808 thousand, respectively, as a result of the changes in fair value of financial assets at fair value through other comprehensive income.

Hedge accounting

A subsidiary minimizes its fair value exposures of financial liabilities to price fluctuations of precious metals by entering into precious metals borrowing contracts and minimizes its fair value of inventory exposures to price fluctuations of precious metals by entering into precious metals futures contracts. The fair value of the precious metals borrowing transactions at the end of the reporting period is determined by the price of the precious metals. The fair value of the precious metals futures transactions at the end of the reporting period is estimated based on the spot position of the underlying assets linked to the held derivative instruments.

The terms of the precious metals borrowing contracts and precious metals futures contracts matched the terms of financial liabilities. The subsidiary performs a qualitative assessment of effectiveness and it expects that the value of the precious metals borrowing contracts and precious metals futures contracts and the value of the corresponding hedged items will systematically change in the opposite direction in response to movements in the underlying prices. The source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the subsidiary's own credit risk on the fair value of the precious metals borrowing contracts and precious metals futures contracts, which is not reflected in the fair value of the hedged item attributable to the change in prices. No other sources of ineffectiveness are expected to emerge from these hedging relationships.

The following tables summarize the information relating to the hedges of other price risk.

June 30, 2025

Hedging Instruments	Contract Amount	Maturity	Line Item in Balance Sheet	Carrying Amount Asset/Liability	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness
Fair value hedge					
Precious metals borrowing contracts			Financial liabilities for hedging		
	\$ 80,532	-	Financial assets for hedging	\$ 80,532	\$ -
Sell futures contracts - Silver	27,614	2025.09	Financial assets for hedging	15,964	44
Sell futures contracts - Silver	146,434	2025.02-2025.06	Financial assets for hedging	-	(4,784)

Hedged Items	Carrying Amount Asset	Accumulated Amount of Fair Value Hedge Adjustments Asset	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness
Fair value hedge			
Inventory - borrowings contracts	\$ 80,532	\$ -	\$ -
Inventory - futures contracts	26,925	348	348

June 30, 2024

Hedging Instruments	Contract Amount	Maturity	Line Item in Balance Sheet	Carrying Amount Asset/Liability	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness
Fair value hedge					
Precious metals borrowing contracts			Financial liabilities for hedging		
	\$ 5,750	-	Financial assets for hedging	\$ 5,750	\$ -
Sell futures contracts - Silver	87,945	2024.09	Financial assets for hedging	22,573	4,196
Sell futures contracts - Silver	219,168	2024.03-2024.05	Financial assets for hedging	-	(14,815)



<b>Hedged Items</b>	<b>Carrying Amount Asset</b>	<b>Accumulated Amount of Fair Value Hedge Adjustments Asset</b>	<b>Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness</b>
Fair value hedge			
Inventory - borrowings contracts	\$ 5,750	\$ -	\$ -
Inventory - futures contracts	68,178	17,186	17,186

## 2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Corporation and its subsidiaries. As at the balance sheet date, the Corporation and its subsidiaries' maximum exposure to credit risk is the carrying amount of the financial assets on the consolidated balance sheets and the amount of contingent liabilities in relation to financial guarantee issued by the Corporation and its subsidiaries.

The Corporation and its subsidiaries do not expect significant credit risk because the counterparties are creditworthy financial institutions and companies.

Counterparties of accounts receivable consisted of a large number of different customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the customers' financial condition.

The Corporation and its subsidiaries did not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Corporation and its subsidiaries define counterparties as having similar characteristics if they are related entities.

As of June 30, 2025, December 31, 2024 and June 30, 2024, the maximum credit risk of off-balance-sheet guarantees provided to related party for procurement and construction contract compliance was NT\$907,796 thousand, NT\$1,208,552 thousand and NT\$1,269,969 thousand, respectively.

## 3) Liquidity risk

The management of the Corporation and its subsidiaries continuously monitors the movement of cash flows, net cash position, significant capital expenditures and the utilization of bank loan commitments to control proportion of the long-term and short-term bank loans or issue bonds payable, and ensures compliance with loan covenants.

The following table details the undiscounted cash flows of the Corporation and its subsidiaries' remaining contractual maturity for its non-derivative financial liabilities from the earliest date on which they can be required to pay. The tables included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time span regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates or financial guarantee periods.

The table below summarized the maturity profile of the Corporation and its subsidiaries' financial liabilities based on contractual undiscounted payments:

	Less Than 1 Year	1-5 Years	Over 5 Years	Total
<hr/> June 30, 2025 <hr/>				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 41,880,893	\$ 275,835	\$ -	\$ 42,156,728
Lease liabilities	1,183,783	2,443,112	9,909,395	13,536,290
Variable interest rate liabilities	41,024,725	94,973,124	33,133,733	169,131,582
Fixed interest rate liabilities	48,781,223	60,556,120	-	109,337,343
Refund liabilities	1,308,707	-	-	1,308,707
Financial guarantee liabilities	-	355,804	551,992	907,796
	<u>\$ 134,179,331</u>	<u>\$ 158,603,995</u>	<u>\$ 43,595,120</u>	<u>\$ 336,378,446</u>
<hr/> December 31, 2024 <hr/>				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 45,222,881	\$ 257,895	\$ -	\$ 45,480,776
Lease liabilities	1,143,983	2,573,513	10,086,578	13,804,074
Variable interest rate liabilities	50,710,832	102,320,325	29,832,862	182,864,019
Fixed interest rate liabilities	40,496,817	55,961,601	-	96,458,418
Refund liabilities	1,245,936	-	-	1,245,936
Financial guarantee liabilities	-	639,839	568,713	1,208,552
	<u>\$ 138,820,449</u>	<u>\$ 161,753,173</u>	<u>\$ 40,488,153</u>	<u>\$ 341,061,775</u>
<hr/> June 30, 2024 <hr/>				
Non-derivative financial liabilities				
Non-interest bearing liabilities	\$ 42,658,680	\$ 228,708	\$ -	\$ 42,887,388
Lease liabilities	1,198,755	2,796,330	10,118,976	14,114,061
Variable interest rate liabilities	47,485,090	80,873,976	27,369,595	155,728,661
Fixed interest rate liabilities	61,707,308	57,958,038	-	119,665,346
Refund liabilities	1,316,355	-	-	1,316,355
Financial guarantee liabilities	-	738,885	531,084	1,269,969
	<u>\$ 154,366,188</u>	<u>\$ 142,595,937</u>	<u>\$ 38,019,655</u>	<u>\$ 334,981,780</u>

The amounts included above for financial guarantee liabilities were the maximum amounts the Corporation and its subsidiaries could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the balance sheet date, the Corporation and its subsidiaries considered that it is more likely than not that none of the amount will be payable under the arrangement.

### 30. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Corporation and its subsidiaries, which are related parties of the Corporation, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Corporation and its subsidiaries and other related parties were disclosed below:

- a. The name of the company and its relationship with the Corporation and its subsidiaries

Company	Relationship
TaiAn Technologies Corporation	Associate
Fukuta Electric & Machinery Co., Ltd.	Associate
Hsin Hsin Cement Enterprise Corporation	Associate
Eminent III Venture Capital Corporation	Associate
Nikken & CSSC Metal Products Co., Ltd.	Associate
Eminent II Venture Capital Corporation	Associate
Honley Auto. Parts Co., Ltd.	Associate
Taiwan Rolling Stock Co., Ltd.	Associate
Kaohsiung Arena Development Corporation	Associate
Overseas Investment & Development Corporation	Associate
Chateau International Development Co., Ltd.	Associate
HC&C Auto Parts Co., Ltd.	Associate
TSK Steel Company Limited	Associate
Taiwan High Speed Rail Corporation	The Corporation as key management of other related parties
Rechi Precision Co., Ltd.	The Corporation as key management of other related parties
Taiwan International Windpower Training Corporation Ltd.	The Corporation as key management of other related parties
Tang Eng Iron Works Co., Ltd.	The Corporation as key management of other related parties
CDIB Bioscience Ventures I, Inc.	The Corporation as key management of other related parties before November 2024
East Asia United Steel Corporation	The Corporation as key management of other related parties
Sakura Ferroalloys Sdn. Bhd.	The Corporation as key management of other related parties
Rechi Precision (Qingdao) Electric Machinery Limited	The Corporation as key management of parent company
Ministry of Economic Affairs, R.O.C.	Director of the Corporation
CSC Labor Union	Director of the Corporation
CSC Educational Foundation	Other related parties
Formosa Ha Tinh Steel Corporation	Other related parties
Formosa Ha Tinh (Cayman) Limited	Other related parties

b. Operating revenues

Account Items	Related Parties Types	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2025	2024	2025	2024
Revenue from sales of goods	Associates	\$ 183,405	\$ 266,022	\$ 368,405	\$ 475,945
	The Corporation as key management of parent companies	42,361	48,101	65,644	75,759
	Others	<u>-</u>	<u>1,616</u>	<u>-</u>	<u>2,623</u>
		<u>\$ 225,766</u>	<u>\$ 315,739</u>	<u>\$ 434,049</u>	<u>\$ 554,327</u>
Construction contract revenue	Associates	\$ 2,305	\$ 475	\$ 7,171	\$ 5,256
	The Corporation as key management of other related parties	821	1,117	901	365,624
	Other related parties	<u>281</u>	<u>4,123</u>	<u>672</u>	<u>5,716</u>
		<u>\$ 3,407</u>	<u>\$ 5,715</u>	<u>\$ 8,744</u>	<u>\$ 376,596</u>

Sales to related parties were made at arm's length. The construction contracts undertaken by the Corporation and its subsidiaries with related parties were different from those with unrelated parties; therefore, the prices were not comparable while the collection terms have no material differences.

c. Purchase of goods

Related Parties Types	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Other related parties	\$ 1,324,588	\$ 1,756,568	\$ 3,063,219	\$ 4,517,500
The Corporation as key management of other related parties	347,089	503,275	723,175	696,979
Others	<u>25,631</u>	<u>14,855</u>	<u>80,326</u>	<u>77,364</u>
	<u>\$ 1,697,308</u>	<u>\$ 2,274,698</u>	<u>\$ 3,866,720</u>	<u>\$ 5,291,843</u>

Purchases from related parties were made at arm's length.

d. Receivables from related parties

Account Items	Related Parties Types	June 30, 2025	December 31, 2024	June 30, 2024
Notes and accounts receivable	The Corporation as key management of other related parties	\$ 28,750	\$ 36,379	\$ 19,220
	Other related parties	18,836	24,111	24,858
	The Corporation as key management of parent company	6,428	3,477	18,244
	Associates	691	2,319	9,784
	Others	<u>11</u>	<u>11</u>	<u>-</u>
		<u>\$ 54,716</u>	<u>\$ 66,297</u>	<u>\$ 72,106</u>

Account Items	Related Parties Types	June 30, 2025	December 31, 2024	June 30, 2024
Other receivables	Other related parties	\$ 19,856	\$ 20,614	\$ 14,980
	Associates	1,318	18	1,064
	Others	<u>-</u>	<u>-</u>	<u>10</u>
		<u>\$ 21,174</u>	<u>\$ 20,632</u>	<u>\$ 16,054</u>

e. Payables to related parties

Account Items	Related Parties Types	June 30, 2025	December 31, 2024	June 30, 2024
Accounts payable	The Corporation as key management of other related parties	\$ 22,658	\$ 16,819	\$ 36,752
	Associates	20,491	7,885	12,623
	Other related parties	<u>-</u>	<u>332,929</u>	<u>56,036</u>
		<u>\$ 43,149</u>	<u>\$ 357,633</u>	<u>\$ 105,411</u>
Other payables	Other related parties	\$ 8,473	\$ 660	\$ 1,085
	The Corporation as key management of other related parties	394	788	394
	Director of the Corporation	<u>-</u>	<u>-</u>	<u>1,725</u>
		<u>\$ 8,867</u>	<u>\$ 1,448</u>	<u>\$ 3,204</u>

The outstanding payables to related parties were unsecured.

f. Others

Classified as operating and non-operating income by nature:

Account Items	Related Parties Types	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2025	2024	2025	2024
Service and other revenues and other income - other	Other related parties	\$ 73,564	\$ 69,998	\$ 146,955	\$ 133,877
	The Corporation as key management of other related parties	53,080	56,471	97,248	93,666
	Others	<u>3,246</u>	<u>4,109</u>	<u>6,429</u>	<u>5,854</u>
		<u>\$ 129,890</u>	<u>\$ 130,578</u>	<u>\$ 250,632</u>	<u>\$ 233,397</u>

g. Endorsements and guarantees provided by the Corporation and its subsidiaries

Related Parties Types	June 30, 2025	December 31, 2024	June 30, 2024
The Corporation as key management of other related parties			
Amount endorsed	\$ 1,236,325	\$ 1,340,633	\$ 1,286,779
Amount utilized	<u>(771,592)</u>	<u>(1,065,124)</u>	<u>(1,127,155)</u>
	<u>\$ 464,733</u>	<u>\$ 275,509</u>	<u>\$ 159,624</u>

Endorsements and guarantees above are provided to investee by the percentage of shareholdings under joint venture agreements.

h. Compensation of key management personnel

The remuneration of directors and other members of key management personnel were as follows:

	<b>For the Three Months Ended June 30</b>		<b>For the Six Months Ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Short-term employee benefits	\$ 10,185	\$ 15,651	\$ 25,659	\$ 28,284
Post-employment benefits	<u>377</u>	<u>405</u>	<u>762</u>	<u>809</u>
	<u>\$ 10,562</u>	<u>\$ 16,056</u>	<u>\$ 26,421</u>	<u>\$ 29,093</u>

### 31. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The Corporation and its subsidiaries' assets mortgaged or pledged as collateral for long-term borrowings, short-term borrowings and bank overdraft, performance guarantees and bankers' acceptance bills, etc. were as follows (listed based on their carrying amounts):

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Net property, plant and equipment	\$ 66,536,600	\$ 68,672,495	\$ 15,103,429
Shares	25,415,387	26,367,006	22,098,620
Time deposits	6,981,078	6,699,287	7,008,243
Pledged receivables (a.)	2,000,000	2,000,000	2,000,000
Demand deposits	1,708,596	300,000	300,000
Net investment properties	972,883	986,555	976,172
Trade receivable-sales and notes discounted	203,712	266,617	320,740
Right-of-use assets - land	114,365	133,451	134,901
Buildings and lands under construction	<u>343,192</u>	<u>-</u>	<u>-</u>
	<u>\$ 104,275,813</u>	<u>\$ 105,425,411</u>	<u>\$ 47,942,105</u>

- a. In accordance with revised agreements of build-operate-transfer contract in 2013, the subsidiary KRTC reclassified NT\$2,000,000 thousand including arbitration receivable - Kaohsiung City Government and part of the consideration of transferred assets to operating performance guarantees.

### 32. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant commitments and contingencies of the Corporation and its subsidiaries as of June 30, 2025 were as follows:

- a. The Corporation and its subsidiaries provided letters of credits for NT\$7.6 billion guaranteed by financial institutions for several constructions, lease contracts and payment. Guarantee notes for NT\$5.3 billion were provided to owners for purchase agreements, performance of the contract and warranties.
- b. Unused letters of credit for importation of materials and machinery amounted to NT\$4.6 billion.
- c. Property purchase and construction contracts for NT\$11.8 billion were signed but not yet recorded.

- d. The Corporation and its subsidiaries entered into raw material purchase contracts with suppliers in Australia, Brazil, Canada, China, Japan, Philippines, Vietnam, Indonesia and domestic companies with contract terms of 1 to 3 years. Contracted annual purchases of 8,670,000 metric tons of coal, 19,160,000 metric tons of iron ore, and 2,740,000 metric tons of limestone are at prices negotiable with the counterparties. Purchase commitments as of June 30, 2025 were US\$2.7 billion (including 7,480,000 metric tons of coal, 16,750,000 metric tons of iron ore, and 2,050,000 metric tons of limestone).
- e. Refer to Table 2 for information relating to endorsements/guarantees provided.

### 33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Corporation and its subsidiaries and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount (In Thousands of New Taiwan Dollars)
<hr/> June 30, 2025 <hr/>				
Monetary foreign assets				
USD	\$ 126,011	29.3000	(USD:NTD)	\$ 3,692,112
JPY	7,501,882	0.2034	(JPY:NTD)	1,525,883
VND	1,228,651,670	0.00004	(VND:USD)	1,357,660
Non-monetary foreign assets				
Financial assets at fair value through other comprehensive income				
USD	704,228	29.3000	(USD:NTD)	20,633,869
JPY	9,262,000	0.2034	(JPY:NTD)	1,883,891
MYR	328,586	6.6905	(MYR:NTD)	2,198,403
Associate accounted for using the equity method				
USD	361,901	29.3000	(USD:NTD)	10,603,558
AUD	1,223,350	19.1400	(AUD:NTD)	23,414,923
Monetary foreign liabilities				
USD	212,283	29.3000	(USD:NTD)	6,219,887
USD	102,933	85.8231	(USD:INR)	3,015,948
VND	1,757,519,274	0.00004	(VND:USD)	1,942,059
<hr/> December 31, 2024 <hr/>				
Monetary foreign assets				
USD	258,979	32.7850	(USD:NTD)	8,490,635
JPY	15,910,673	0.2099	(JPY:NTD)	3,339,650
VND	1,017,811,572	0.00004	(VND:USD)	1,287,532

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount (In Thousands of New Taiwan Dollars)
Non-monetary foreign assets				
Financial assets at fair value through other comprehensive income				
USD	\$ 722,846	32.7850	(USD:NTD)	\$ 23,698,521
JPY	9,238,000	0.2099	(JPY:NTD)	1,939,056
MYR	299,074	7.0655	(MYR:NTD)	2,113,107
Associates accounted for using the equity method				
USD	358,157	32.7850	(USD:NTD)	11,742,000
AUD	1,209,316	20.3900	(AUD:NTD)	24,657,957
Monetary foreign liabilities				
USD	346,790	32.7850	(USD:NTD)	11,369,501
JPY	7,089,869	0.2099	(JPY:NTD)	1,488,163
USD	108,798	85.6117	(USD:INR)	3,566,953
<hr/> June 30, 2024 <hr/>				
Monetary foreign assets				
USD	230,543	32.4500	(USD:NTD)	7,481,105
JPY	16,831,299	0.2017	(JPY:NTD)	3,394,873
VND	1,061,098,792	0.00004	(VND:USD)	1,331,679
Non-monetary foreign assets				
Financial assets at fair value through other comprehensive income				
USD	849,112	32.4500	(USD:NTD)	27,553,680
JPY	9,710,000	0.2017	(JPY:NTD)	1,958,507
MYR	308,436	6.5980	(MYR:NTD)	2,035,064
Associate accounted for using the equity method				
USD	391,130	32.4500	(USD:NTD)	12,695,671
AUD	1,141,663	21.5200	(AUD:NTD)	24,568,599
INR	2,724,751	0.3892	(INR:NTD)	1,060,473
Monetary foreign liabilities				
USD	275,317	32.4500	(USD:NTD)	8,934,026
JPY	5,919,906	0.2017	(JPY:NTD)	1,194,045
USD	89,733	83.3762	(USD:INR)	2,911,835
VND	1,321,112,115	0.00004	(VND:USD)	1,657,996

It is impractical to disclose net foreign exchange gains and losses by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of each entity. Please refer to Note 25 for information relating to net foreign exchange gains and losses.



### 34. SEPARATELY DISCLOSED ITEMS

- a. Information about significant transactions and b. investees:
  - 1) Financing provided to others (Table 1)
  - 2) Endorsements/guarantees provided (Table 2)
  - 3) Significant marketable securities held (excluding investments in subsidiaries and associates) (Table 3)
  - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 4)
  - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
  - 6) Intercompany relationships and significant intercompany transactions (Table 6)
  - 7) Information on investees (Table 7)
- c. Information on investments in mainland China
  - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income (loss), carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 8)
  - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms and unrealized gains and losses:
    - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period (Table 4)
    - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period (Table 4)
    - c) The amount of property transactions and the amount of the resultant gains or losses (None)
    - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes (Table 2)
    - e) The highest balance, the end of period balance and the interest rate range, and total current period interest with respect to financing of funds (Table 1)
    - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services (None)

### 35. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance. Since the actual resource allocation focuses on the steel business, the resource investment in non-steel business is mainly decided by each company, and it is mainly the demand

for the extension of the steel business. Reported segments of the Corporation and its subsidiaries were as follows:

- Steel department - manufacture and sell steel products, including the Corporation, DSC, CHS, CSCM, CSVC and CSCI.
- Non-steel department - extension or support of the manufacture of steel products, analysis by function, including engineering, industrial materials, green power, shipping, trading, investing, etc.

a. Segment revenue and operating results

The following is an analysis of the Corporation and its subsidiaries' revenues and results of operations by reportable segment.

	<b>Steel Department</b>	<b>Non-Steel Department</b>	<b>Adjustment and Elimination</b>	<b>Total</b>
<u>For the six months ended June 30, 2025</u>				
Revenue from external customers	\$ 126,729,917	\$ 41,537,011	\$ -	\$ 168,266,928
Inter-segment revenue	<u>21,969,238</u>	<u>25,750,502</u>	<u>(47,719,740)</u>	<u>-</u>
Segment revenue	<u>\$ 148,699,155</u>	<u>\$ 67,287,513</u>	<u>\$ (47,719,740)</u>	<u>\$ 168,266,928</u>
Segment profit (loss)	\$ (5,297,900)	\$ 4,350,403	\$ (295,981)	\$ (1,243,478)
Interest income	195,229	442,084	(50,098)	587,215
Financial costs	(1,456,073)	(1,179,517)	103,558	(2,532,032)
Share of the profit (loss) of associates	(2,538,782)	969,801	1,673,758	104,777
Other non-operating income and expenses	<u>918,260</u>	<u>764,846</u>	<u>(167,219)</u>	<u>1,515,887</u>
Profit (loss) before income tax	(8,179,266)	5,347,617	1,264,018	(1,567,631)
Income tax expense (benefit)	<u>(1,105,995)</u>	<u>1,101,544</u>	<u>(59,841)</u>	<u>(64,292)</u>
Net profit (loss) for the period	<u>\$ (7,073,271)</u>	<u>\$ 4,246,073</u>	<u>\$ 1,323,859</u>	<u>\$ (1,503,339)</u>
<u>For the six months ended June 30, 2024</u>				
Revenue from external customers	\$ 149,210,949	\$ 39,115,181	\$ -	\$ 188,326,130
Inter-segment revenue	<u>31,213,792</u>	<u>27,359,640</u>	<u>(58,573,432)</u>	<u>-</u>
Segment revenue	<u>\$ 180,424,741</u>	<u>\$ 66,474,821</u>	<u>\$ (58,573,432)</u>	<u>\$ 188,326,130</u>
Segment profit (loss)	\$ (2,026,899)	\$ 4,258,428	\$ (158,569)	\$ 2,072,960
Interest income	225,793	566,674	(49,762)	742,705
Financial costs	(1,408,837)	(564,010)	103,446	(1,869,401)
Share of the profit (loss) of associates	(87,423)	1,151,153	(647,510)	416,220
Other non-operating income and expenses	<u>892,289</u>	<u>1,567,910</u>	<u>(324,297)</u>	<u>2,135,902</u>
Profit (loss) before income tax	(2,405,077)	6,980,155	(1,076,692)	3,498,386
Income tax expense (benefit)	<u>(168,859)</u>	<u>944,156</u>	<u>(48,731)</u>	<u>726,566</u>
Net profit (loss) for the period	<u>\$ (2,236,218)</u>	<u>\$ 6,035,999</u>	<u>\$ (1,027,961)</u>	<u>\$ 2,771,820</u>

Inter-segment revenue was accounted for according to market price or cost-plus pricing.

b. Segment total assets and liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Segment assets</u>			
Steel department	\$ 651,203,501	\$ 675,837,076	\$ 694,417,503
Non - steel department	294,582,027	302,622,003	287,202,419
Adjustment and elimination	<u>(271,630,794)</u>	<u>(283,399,742)</u>	<u>(288,556,225)</u>
Consolidated total assets	<u>\$ 674,154,734</u>	<u>\$ 695,059,337</u>	<u>\$ 693,063,697</u>
<u>Segment liabilities</u>			
Steel department	\$ 249,940,572	\$ 251,911,812	\$ 260,697,453
Non - steel department	127,108,889	122,403,851	116,214,419
Adjustment and elimination	<u>(25,604,860)</u>	<u>(20,742,220)</u>	<u>(26,966,331)</u>
Consolidated total liabilities	<u>\$ 351,444,601</u>	<u>\$ 353,573,443</u>	<u>\$ 349,945,541</u>

**TABLE 1****CHINA STEEL CORPORATION AND SUBSIDIARIES****FINANCING PROVIDED TO OTHERS****FOR THE PERIOD ENDED JUNE 30, 2025****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Financing Company	Counter-party	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Interest Rate	Nature for Financing (Note 1)	Transaction Amounts	Reason for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company	Financing Company's Total Financing Amount Limits	Note
													Item	Value			
0	China Steel Corporation	C.S.Aluminium Corporation	Other receivables	Yes	1,900,000	1,800,000	600,000	1.84%-1.92%	2	-	Operating capital	-	-	-	28,615,346	57,230,692	Note 2
0	China Steel Corporation	China Steel Resources Corporation	Other receivables	Yes	800,000	800,000	690,000	1.84%-1.92%	2	-	Operating capital	-	-	-	28,615,346	57,230,692	Note 2
0	China Steel Corporation	HIMAG Magnetic Corporation	Other receivables	Yes	300,000	200,000	135,000	1.84%-1.94%	2	-	Operating capital	-	-	-	28,615,346	57,230,692	Note 2
0	China Steel Corporation	Sing Da Marine Structure Corporation	Other receivables	Yes	2,500,000	2,500,000	2,000,000	1.78%-1.86%	2	-	Operating capital	-	-	-	28,615,346	57,230,692	Note 2
0	China Steel Corporation	Kaohsiung Rapid Transit Corporation	Other receivables	Yes	1,300,000	1,000,000	360,000	1.77%-1.86%	2	-	Operating capital	-	-	-	28,615,346	57,230,692	Note 2
0	China Steel Corporation	Chung Hung Steel Corporation	Other receivables	Yes	1,300,000	1,200,000	-	N/A	2	-	Operating capital	-	-	-	28,615,346	57,230,692	Note 2
1	China Steel Security Corporation	Steel Castle Technology Corporation	Other receivables	Yes	150,000	150,000	-	N/A	2	-	Operating capital	-	-	-	189,968	189,968	Note 3
2	China Prosperity Development Corporation	China Prosperity Construction Corporation	Other receivables	Yes	100,000	100,000	-	1.79%	2	-	Operating capital	-	-	-	2,431,906	2,431,906	Note 4
2	China Prosperity Development Corporation	China Steel Corporation	Other receivables	Yes	1,050,000	850,000	800,000	1.73%-1.84%	2	-	Operating capital	-	-	-	2,431,906	2,431,906	Note 4
3	ThinTech Materials Technology Co., Ltd.	Changzhou China Steel Precision Materials Co., Ltd.	Other receivables	Yes	27,438	24,546	-	N/A	2	-	Operating capital	-	-	-	509,046	678,728	Note 5
4	HIMAG Magnetic Corporation	MagnPower Corporation	Other receivables	Yes	180,000	170,000	160,000	2.41%	2	-	Operating capital	-	-	-	207,758	207,758	Note 6
5	Ever Wealthy International Corporation	Changzhou China Steel New Materials Technology Co., Ltd.	Other receivables	Yes	96,033	85,911	85,911	2.00%	2	-	Operating capital	-	-	-	319,465	479,197	Note 7
6	InfoChamp Systems Corporation	China Steel Corporation	Other receivables	Yes	120,000	120,000	120,000	1.73%-1.84%	2	-	Operating capital	-	-	-	278,060	317,782	Note 8
7	China Steel Machinery Corporation	China Steel Corporation	Other receivables	Yes	550,000	550,000	-	1.75%-1.82%	2	-	Operating capital	-	-	-	729,454	729,454	Note 9
8	China Steel Power Corporation	CI III Zhong Neng K/S SCSp	Other receivables	Yes	1,100,000	1,100,000	1,100,000	1.60%	2	-	Repayments of bank borrowings	-	-	-	5,852,351	5,852,351	Note 10
9	China Steel Express Corporation	China Steel Corporation	Other receivables	Yes	500,000	500,000	-	N/A	2	-	Operating capital	-	-	-	1,081,639	2,163,278	Note 11

Note 1: The nature for financing is as follows:

- 1) Business relationship
- 2) The need for short-term financing

- Note 2: According to “The Process of Financing Others” established by the Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 20% and 10% of the net worth of the Corporation, respectively.
- Note 3: According to “The Process of Financing Others” established by China Steel Security Corporation, the total available amount for lending to others and the total amount for lending to a company both shall not exceed 40% of the net worth of China Steel Security Corporation.
- Note 4: According to “The Process of Financing Others” established by China Prosperity Development Corporation, the total available amount for lending to others and the total amount for lending to a company both shall not exceed 40% of the net worth of China Prosperity Development Corporation.
- Note 5: According to “The Process of Financing Others” established by ThinTech Materials Technology Co., Ltd., the total available amount for lending to others and the total amount for lending to a company shall not exceed 40% and 30% of the net worth of ThinTech Materials Technology Co., Ltd., respectively.
- Note 6: According to “The Process of Financing Others” established by HIMAG Magnetic Corporation, the total available amount for lending to others and the total amount for lending to a company both shall not exceed 40% of the net worth of HIMAG Magnetic Corporation.
- Note 7: According to “The Process of Financing Others” established by Ever Wealthy International Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 30% and 20% of the net worth of Ever Wealthy International Corporation, respectively; the financing limit amount for parent company shall not exceed 30% of the net worth of the company.
- Note 8: According to “The Process of Financing Others” established by InfoChamp Systems Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 40% and 35% of the net worth of InfoChamp Systems Corporation, respectively.
- Note 9: According to “The Process of Financing Others” established by China Steel Machinery Corporation, the total available amount for lending to others and the total amount for lending to a company both shall not exceed 40% of the net worth of China Steel Machinery Corporation.
- Note 10: According to “The Process of Financing Others” established by China Steel Power Corporation, the total available amount for lending to others and the total amount for lending to a company both shall not exceed 40% of the net worth of China Steel Power Corporation.
- Note 11: According to “The Process of Financing Others” established by China Steel Express Corporation, the total available amount for lending to others and the total amount for lending to a company shall not exceed 20% and 10% of the net worth of China Steel Express Corporation, respectively.

**TABLE 2****CHINA STEEL CORPORATION AND SUBSIDIARIES****ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE PERIOD ENDED JUNE 30, 2025****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

NO.	Endorsement/Guarantee Provider	Endorsee/Guarantee		Limits on Endorsement/Guarantee Amount Provided to Each Guaranteed Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Amount of Endorsement/Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/Guarantee to Net Equity per Latest Financial Statements (%)	Maximum Endorsement/Guarantee Amount Allowable	Guarantee Provided by Parent Company	Guarantee Provided by Subsidiary	Guarantee Provided to Subsidiaries in Mainland China	Note
		Name	Nature of Relationship (Note 1)											
0	China Steel Corporation	China Steel Power Corporation	2	85,846,038	7,156,210	7,156,210	7,156,210	7,464,428	3	114,461,384	Y	N	N	Notes 2 and 3
0	China Steel Corporation	Sakura Ferroalloys Sdn. Bhd.	6	85,846,038	1,364,257	1,236,325	771,592	-	-	114,461,384	N	N	N	Note 3
1	ThinTech Materials Technology Co., Ltd.	Changzhou China Steel Precision Materials Co., Ltd.	2	678,728	59,449	53,183	-	-	3	678,728	N	N	Y	Note 4
2	HIMAG Magnetic Corporation	MagnPower Corporation	2	519,396	190,000	70,000	70,000	-	13	519,396	N	N	N	Note 5
3	China Steel Power Holding Corporation	China Steel Power Corporation	2	73,180,668	13,986,000	13,986,000	13,986,000	14,630,879	96	73,180,668	N	N	N	Note 6
4	InfoChamp Systems Corporation	Wuhan InfoChamp I.T. Co., Ltd.	2	238,337	48,862	2,802	2,802	-	-	397,228	N	N	Y	Note 7
4	InfoChamp Systems Corporation	Industrial Technology Research Institute	5	238,337	60,000	60,000	59,830	-	8	397,228	N	N	N	Note 7
4	InfoChamp Systems Corporation	Tang Steel International Engineering Technology Corp.	5	238,337	42,686	38,187	38,187	-	5	397,228	N	N	Y	Note 7
5	United Steel Engineering & Construction Corporation	China Prosperity Construction Corporation	5	879,086	500,000	500,000	140,000	-	38	19,779,448	N	N	N	Note 8
6	CSC Steel Holdings Berhad	CSC Steel Sdn. Bhd.	2	2,409,251	1,100,195	1,001,917	192,511	-	17	2,409,251	N	N	N	Note 9
7	Wuhan InfoChamp I.T. Co., Ltd.	InfoChamp Systems Corporation	3	109,101	42,170	37,725	37,725	-	173	130,921	N	N	N	Note 10
7	Wuhan InfoChamp I.T. Co., Ltd.	Tang Steel International Engineering Technology Corp.	5	109,101	42,686	38,187	38,187	-	175	130,921	N	N	Y	Note 10

Note 1: Relationships between the endorser/guarantor and the party being endorsed/guaranteed are as follows:

- 1) A company that the Corporation has business relationship with.
- 2) The Corporation owns directly or indirectly over 50% ownership of the investee company.
- 3) The company that owns directly or indirectly hold over 50% ownership of the Corporation.
- 4) In between companies that were held over 90% of voting shares directly or indirectly by an entity.
- 5) The Corporation is required to provide guarantees or endorsements for the construction project based on the construction contract.
- 6) Shareholder of the investee provides endorsements/guarantees to the company in proportion to their shareholding percentages.
- 7) According to Consumer Protection Act, companies in the same industry enter into collateral performance guarantees for pre-construction home sales agreements.

- Note 2: Endorsements and guarantees provided by the Corporation to its subsidiaries.
- Note 3: According to “The Process of making endorsements/quadrants” established by the Corporation, the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 30% and 40% of the net worth of the Corporation, respectively.
- Note 4: According to “The Process of making endorsements/quadrants” established by ThinTech Materials Technology Co., Ltd., both the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 40% of the net worth of Thintech Materials Technology Co., Ltd..
- Note 5: According to “The Process of making endorsements/quadrants” established by HIMAG Magnetic Corporation, both the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 100% of the net worth of HIMAG Magnetic Corporation.
- Note 6: According to “The Process of making endorsements/quadrants” established by China Steel Power Holding Corporation, both the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 500% of the net worth of China Steel Power Holding Corporation.
- Note 7: According to “The Process of making endorsements/quadrants” established by InfoChamp Systems Corporation, the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 30% and 50% of the net worth of InfoChamp Systems Corporation, respectively.
- Note 8: According to “The Process of making endorsements/quadrants” established by United Steel Engineering & Construction Corporation, the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed two-thirds and 1500% of the net worth of United Steel Engineering & Construction Corporation, respectively. However, the ceilings on the amounts to China Steel Structure Co., Ltd. shall not exceed 1500% of the net worth of United Steel Engineering & Construction Corporation.
- Note 9: According to “The Process of making endorsements/quadrants” established by CSC Steel Holdings Berhad, both the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 40% of the net worth of CSC Steel Holdings Berhad.
- Note 10: According to “The Process of making endorsements/quadrants” established by Wuhan InfoChamp I.T. Co., Ltd., the ceilings on the amounts for any single entity or the aggregate amounts to the entities shall not exceed 500% and 600% of the net worth of Wuhan InfoChamp I.T. Co., Ltd., respectively.

**TABLE 3****CHINA STEEL CORPORATION AND SUBSIDIARIES****SIGNIFICANT MARKETABLE SECURITIES HELD****JUNE 30, 2025****(Amounts in Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	JUNE 30, 2025				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
China Steel Corporation	Common stock	Taiwan High Speed Rail Corporation	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	242,148,000	6,840,682	4	6,840,682	
China Steel Corporation	Common stock	Maruichi Steel Tube Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	2,000,000	1,417,698	2	1,417,698	
China Steel Corporation	Common stock	O-Bank Co., Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	103,847,695	958,514	3	958,514	
China Steel Corporation	Common stock	TANG ENG IRON WORKS CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	29,860,691	901,793	9	901,793	
China Steel Corporation	Common stock	CSN Mineracao S.A.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	22,366,860	599,775	-	599,775	
China Steel Corporation	Common stock	RECHI PRECISION CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	23,002,022	560,099	5	560,099	
China Steel Corporation	Common stock	Yodogawa Steel Works, Ltd.	No relation	Financial assets at fair value through other comprehensive income-noncurrent	2,000,000	466,193	1	466,193	
China Steel Corporation	Common stock	Formosa Ha Tinh (Cayman) Limited	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	1,111,418,177	19,864,377	20	19,864,377	
China Steel Corporation	Common stock	Sakura Ferroalloys Sdn. Bhd.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	207,290,000	1,727,906	19	1,727,906	
China Steel Corporation	Common stock	CDIB & Partners Investment Holding Corporation	No relation	Financial assets at fair value through other comprehensive income-noncurrent	54,000,000	1,086,221	5	1,086,221	
China Steel Corporation	Common stock	Taiwan International Windpower Training Corporation Ltd.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	1,500,000	16,772	15	16,772	
China Steel Corporation	Preferred stock	East Asia United Steel Corporation (A)	The held company as its director	Financial assets mandatorily classified as at fair value through profit or loss - noncurrent(including measurement)	2,222	420,592	6	420,592	
China Steel Corporation	Preferred stock	Sakura Ferroalloys Sdn. Bhd.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	56,443,634	470,497	19	470,497	



Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	JUNE 30, 2025				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Chung Hung Steel Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	34,359,239	645,954	-	645,954	
Chung Hung Steel Corporation	Common stock	PACIFIC HARBOUR STEVEDORING CORP.	The held company as its supervisor	Financial assets at fair value through other comprehensive income-noncurrent	250,000	6,460	5	6,460	
Hung Kao Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	1,003,980	18,875	-	18,875	
China Steel Chemical Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	3,746,915	70,442	-	70,442	
China Steel Chemical Corporation	Preferred stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	229,000	9,263	-	9,263	
Ever Wealthy International Corporation	Common stock	China Steel Chemical Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	4,753,537	437,325	-	437,325	
Ever Wealthy International Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-current	4,226,265	79,454	-	79,454	
China Ecotek Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	1,150,000	21,620	-	21,620	
China Steel Structure Co., Ltd.	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	7,436,878	139,813	-	139,813	
United Steel Engineering & Construction Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-current	3,745,446	70,414	-	70,414	
CHC Resources Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	10,401,806	195,554	-	195,554	
Union Steel Development Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-current	423,849	7,968	-	7,968	
Union Steel Development Corporation	Certificate of entitlement	Shanghai Bao Shun Steel Corporation	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	-	16,905	19	16,905	
China Steel Security Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	2,349,975	44,180	-	44,180	
China Prosperity Development Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	952,979	17,916	-	17,916	
China Prosperity Development Corporation	Common stock	QUN XIN PROPERITES CO., LTD.	The held company as its director	Financial assets at fair value through other comprehensive income-current	2,400,000	12,048	8	12,048	
HIMAG Magnetic Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-noncurrent	325,505	6,119	-	6,119	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	JUNE 30, 2025				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
InfoChamp Systems Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-noncurrent	3,834,338	72,086	-	72,086	
InfoChamp Systems Corporation	Common stock	iPASS Corporation	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	3,828,188	24,791	3	24,791	
Kaohsiung Rapid Transit Corporation	Common stock	iPASS Corporation	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	9,912,843	64,193	7	64,193	
C.S.Aluminium Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	4,431,944	83,321	-	83,321	
China Steel Express Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	8,801,555	165,469	-	165,469	
Transglory Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	257,615,331	4,843,168	2	4,843,168	Note 1
Transglory Investment Corporation	Mutual fund	Jih Sun Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current(including measurement)	23,463,652	365,768	-	365,768	
Gains Investment Corporation	Common stock	BRIGHTON-BEST INTERNATIONAL (TAIWAN) INC.	No relation	Financial assets at fair value through other comprehensive income-current	21,117,242	715,875	-	715,875	
Gains Investment Corporation	Common stock	CDIB & Partners Investment Holding Corporation	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	2,160,000	43,449	-	43,449	
Gains Investment Corporation	Common stock	GE TECHNOLOGY INC.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	1,219,801	18,621	5	18,621	
Gains Investment Corporation	Common stock	FOXCONN GLOBAL NETWORK CORPORATION	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	1,895,578	10,579	7	10,579	
Winning Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	160,506,339	3,017,519	1	3,017,519	Note 2
Betacera Inc.	Common stock	HCT REGENERATIVE CO., LTD	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	1,294,153	27,664	19	27,664	
Pro-Ascentek Investment Corporation	Mutual fund	CTBC Hua Win Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current(including measurement)	51,340,913	593,650	-	593,650	
Shin Mau Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	1,433,749	26,954	-	26,954	
Hung-Chuan Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	1,605,875	30,190	-	30,190	
Chi-Yi Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	1,616,723	30,394	-	30,394	

Held Company Name	Type and Name of Marketable Securities		Relationship with The Company	Financial Statement Account	JUNE 30, 2025				Note
					Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Ding Da Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	1,525,494	28,679	-	28,679	
Jiing-Cherng-Fa Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	1,461,875	27,483	-	27,483	
Gau Ruei Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	1,493,318	28,074	-	28,074	
Li-Ching-Long Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	1,605,441	30,182	-	30,182	
Sheng Lih Dar Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	1,542,138	28,992	-	28,992	
Chiun Yu Investment Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-noncurrent	1,623,289	30,518	-	30,518	
China Steel Global Trading Corporation	Common stock	China Steel Corporation	Parent company	Financial assets at fair value through other comprehensive income-current	4,349,507	81,771	-	81,771	
Wabo Global Trading Corporation	Common stock	China Steel Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income-current	487,367	9,163	-	9,163	
CSC Steel Australia Holdings Pty Ltd	Common stock	KJTC Pty Ltd	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	2,623,595	4,287,919	13	4,287,919	
China Steel Asia Pacific Holdings Pte Ltd	Certificate of entitlement	Wuxi TECO Electric & Machinery Co., Ltd.	The held company as its director and supervisor	Financial assets at fair value through other comprehensive income-noncurrent	-	331,090	6	331,090	
China Steel Asia Pacific Holdings Pte Ltd	Certificate of entitlement	QINGDAO TECO PRECISION MECHATRONICS CO., Ltd.	The held company as its director	Financial assets at fair value through other comprehensive income-noncurrent	-	73,250	12	73,250	
CSC Steel Sdn. Bhd.	Mutual fund	UOBAM - United Money Market Fund	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current(including measurement)	184,881,271	697,131	-	697,131	
CSC Steel Sdn. Bhd.	Mutual fund	RHB CASH MANAGMENT FUND 2	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current(including measurement)	46,366,281	504,060	-	504,060	
CSC Steel Sdn. Bhd.	Mutual fund	AFFINHWANG – AIIMAN MONEY MARKET FUND	No relation	Financial assets mandatorily classified as at fair value through profit or loss -current(including measurement)	124,853,797	493,335	-	493,335	

Note 1: Parent company's stocks pledged as collateral amounted to 53,500 thousand shares and NT\$1,005,800 thousand.

Note 2: Parent company's stocks pledged as collateral amounted to 123,100 thousand shares and NT\$2,314,280 thousand.

**TABLE 4****CHINA STEEL CORPORATION AND SUBSIDIARIES**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE PERIOD ENDED JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
China Steel Corporation	Chung Hung Steel Corporation	Subsidiary	Sales	(2,547,531)	(3)	Letter of credit / Receivables were collected after final acceptance	-		131,299	5	
China Steel Corporation	China Steel Structure Co., Ltd.	Subsidiary	Sales	(2,105,652)	(2)	Letter of credit / Accounts received in advance before shipment date	-		21,629	1	
China Steel Corporation	CSCI Steel Corporation India Pvt. Ltd.	Subsidiary	Sales	(1,779,425)	(2)	Accounts receivable factoring agreements	-		-	-	
China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	Subsidiary	Sales	(1,376,555)	(2)	Accounts receivable factoring agreements / Receivables were collected within 14 days after shipment date	-		1,035	-	
China Steel Corporation	China Steel Chemical Corporation	Subsidiary	Sales	(1,084,281)	(1)	Letter of credit	-		146,301	5	
China Steel Corporation	CSC Steel Sdn. Bhd.	Subsidiary	Sales	(558,913)	(1)	Receivables were collected within 14 days after shipment date	-		13,024	-	
China Steel Corporation	CSGT Metals Vietnam Joint Stock Company	Subsidiary	Sales	(520,357)	(1)	Receivables were collected within 14 days after shipment date	-		24,671	1	
China Steel Corporation	CHC Resources Corporation	Subsidiary	Sales	(394,333)	-	Letter of credit	-		12,271	-	
China Steel Corporation	China Steel Global Trading Corporation	Subsidiary	Sales	(342,617)	-	Receivables were collected within 10 days after shipment date	-		64,772	2	
China Steel Corporation	TSK Steel Company Limited	Associate	Sales	(307,142)	-	Letter of credit / Accounts received in advance before shipment date	-		-	-	
China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	Subsidiary	Sales	(166,303)	-	Receivables were collected within 85 days after shipment date	-		42,311	2	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	Service revenue and other operating revenue	(410,053)	-	By contract terms	-		25,796	1	
China Steel Corporation	China Steel Express Corporation	Subsidiary	Purchases	2,770,434	5	Payment against copy of B/L	-	NO THIRD-PARTY COULD BE COMPARED	(240,755)	(5)	
China Steel Corporation	Dragon Steel Corporation	Subsidiary	Purchases	2,439,082	4	Payment within 5 days after shipment date / Payment after final acceptance	-		(71,035)	(1)	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
China Steel Corporation	C.S.Aluminium Corporation	Subsidiary	Purchases	1,297,132	2	Payment after final acceptance	-	NO THIRD-PARTY COULD BE COMPARED	(194,290)	(4)	
China Steel Corporation	CSE Transport Corporation	Subsidiary	Purchases	1,081,842	2	Payment against copy of B/L	-		(146,813)	(3)	
China Steel Corporation	China Steel Global Trading Corporation	Subsidiary	Purchases	443,684	1	Payment after final acceptance	-		(102,637)	(2)	
China Steel Corporation	Sakura Ferroalloys Sdn. Bhd.	The held company as its director	Purchases	419,143	1	Payment after shipping document specified	-		(22,658)	-	
China Steel Corporation	HIMAG Magnetic Corporation	Subsidiary	Purchases	117,068	-	Payment after final acceptance	-		(5,401)	-	
Dragon Steel Corporation	China Steel Corporation	Parent company	Sales	(2,368,220)	(7)	Receivables were collected within 5 days after shipment date/ Receivables were collected after final acceptance	-		129,378	9	
Dragon Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	The same parent company	Sales	(2,278,402)	(7)	Receivables were collected within 5 days after shipment date	-		-	-	
Dragon Steel Corporation	Chung Hung Steel Corporation	The same parent company	Sales	(1,893,424)	(6)	Receivables were collected within 5 days after shipment date	-		13,951	1	
Dragon Steel Corporation	CSC Steel Sdn. Bhd.	The same parent company	Sales	(1,404,229)	(4)	Receivables were collected within 5 days after shipment date	-		71,099	5	
Dragon Steel Corporation	China Steel Structure Co., Ltd.	The same parent company	Sales	(816,940)	(3)	Receivables were collected within 5 days after shipment date/ Letter of credit	-		17,693	1	
Dragon Steel Corporation	China Steel Chemical Corporation	The same parent company	Sales	(459,184)	(1)	Receivables were collected within 5 days after shipment date	-		17,243	1	
Dragon Steel Corporation	China Steel Global Trading Corporation	The same parent company	Sales	(352,795)	(1)	Receivables were collected within 5 days after shipment date/ Accounts received in advance before shipment date	-		16,558	1	
Dragon Steel Corporation	CHC Resources Corporation	The same parent company	Sales	(152,116)	-	Receivables were collected within 5 days after shipment date/ Letter of credit	-		3,987	-	
Dragon Steel Corporation	China Steel Express Corporation	The same parent company	Purchases	1,260,175	6	Payment against copy of B/L	-	NO THIRD-PARTY COULD BE COMPARED	(80,732)	(5)	
Dragon Steel Corporation	C.S.Aluminium Corporation	The same parent company	Purchases	307,313	1	Payment after final acceptance	-		(42,102)	(3)	
Dragon Steel Corporation	Sakura Ferroalloys Sdn. Bhd.	The parent company as director of the board of related party	Purchases	286,924	1	Payment after shipping document specified	-		-	-	
Dragon Steel Corporation	CSE Transport Corporation	The same parent company	Purchases	270,700	1	Payment against copy of B/L	-		(34,513)	(2)	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Dragon Steel Corporation	China Steel Corporation	Parent company	Purchases	214,323	1	Payment within 5 days after shipment date	-	NO THIRD-PARTY COULD BE COMPARED	(1,578)	-	
Dragon Steel Corporation	China Steel Global Trading Corporation	The same parent company	Purchases	125,253	1	Payment after final acceptance	-		(26,023)	(2)	
Betacera Inc.	China Steel Corporation	The ultimate parent company	Sales	(281,031)	(17)	Receivables were collected after final acceptance	-		8,098	1	
Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	Subsidiary	Sales	(231,733)	(14)	Net 90-180 days from the end of the month of when invoice is issued	-		43,792	7	
Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	Subsidiary	Purchases	734,656	58	Net 90-180 days from the end of the month of when invoice is issued	-		(293,417)	(45)	
Betacera Inc.	Suzhou Betacera Technology Co., Ltd.	Subsidiary	Purchases	261,877	21	Net 90-180 days from the end of the month of when invoice is issued	-		(123,934)	(19)	
Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	Parent company	Sales	(720,077)	(92)	Net 90-180 days from the end of the month of when invoice is issued	-		293,275	90	
Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	Parent company	Purchases	228,088	52	Net 90-180 days from the end of the month of when invoice is issued	-		(43,771)	(28)	
Suzhou Betacera Technology Co., Ltd.	Betacera Inc.	Parent company	Sales	(258,068)	(100)	Net 90-180 days from the end of the month of when invoice is issued	-		123,874	100	
ThinTech Materials Technology Co., Ltd.	China Steel Corporation	The ultimate parent company	Sales	(191,392)	(7)	Receivables were collected within 30 days after final acceptance	-		84,335	8	
China Steel Express Corporation	China Steel Corporation	Parent company	Service revenue	(3,377,003)	(53)	Receivable were collected within 10 working days against copy of B/L	-		291,967	59	
China Steel Express Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(1,415,030)	(22)	Receivable were collected within 10 working days against copy of B/L	-		85,243	17	
China Steel Express Corporation	CHC Resources Corporation	The same parent company	Service revenue	(472,660)	(7)	Receivable were collected within 10 working days against copy of B/L	-		80,168	16	
China Steel Express Corporation	CSE Transport Corporation	Subsidiary	Purchases	161,871	3	Payment against copy of B/L	-		(12,128)	(9)	
CSE Transport Corporation	China Steel Corporation	The ultimate parent company	Service revenue	(1,067,929)	(58)	Receivable were collected within 10 working days against copy of B/L	-		146,813	61	
CSE Transport Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(267,334)	(15)	Receivable were collected within 10 working days against copy of B/L	-		34,513	14	
CSE Transport Corporation	China Steel Express Corporation	Parent company	Service revenue	(159,240)	(9)	Receivable were collected within 10 working days against copy of B/L	-		12,128	5	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
C.S.Aluminium Corporation	China Steel Corporation	Parent company	Sales	(1,297,132)	(13)	Receivables were collected after final acceptance	-		194,290	28	
C.S.Aluminium Corporation	Dragon Steel Corporation	The same parent company	Sales	(307,313)	(3)	Receivables were collected after final acceptance	-		42,102	6	
CSC Steel Sdn. Bhd.	Dragon Steel Corporation	The same parent company	Purchases	1,453,198	46	Payment after shipping document specified	-		(65,513)	(41)	
CSC Steel Sdn. Bhd.	China Steel Corporation	The ultimate parent company	Purchases	552,972	17	Payment after shipping document specified	-		(12,726)	(8)	
CSC Steel Sdn. Bhd.	Chung Hung Steel Corporation	The same parent company	Purchases	509,275	16	Payment after shipping document specified	-		(68,948)	(44)	
CSC Steel Sdn. Bhd.	China Steel Global Trading Corporation	The same parent company	Purchases	183,987	6	Payment after shipping document specified	-		-	-	
Chung Hung Steel Corporation	CSC Steel Sdn. Bhd.	The same parent company	Sales	(488,114)	(4)	T/T within 7 working days against copy of B/L	-		70,565	24	
Chung Hung Steel Corporation	China Steel Corporation	Parent company	Service revenue	(118,169)	(1)	T/T as the end of the month of when invoice is issued after final acceptance	-	NO THIRD-PARTY COULD BE COMPARED	22,265	8	
Chung Hung Steel Corporation	China Steel Corporation	Parent company	Purchases	2,586,157	26	Letter of credit at sight / Payment after final acceptance	-		(152,289)	(29)	
Chung Hung Steel Corporation	Dragon Steel Corporation	The same parent company	Purchases	1,910,709	19	Letter of credit at sight / Prepaid before shipment date	-		-	-	
China Steel Chemical Corporation	Linyuan Advanced Materials Technology Co., Ltd.	Subsidiary of director of the board	Sales	(435,379)	(14)	Receivables are collected as the end of every month of when invoice is issued	-		67,749	19	
China Steel Chemical Corporation	China Steel Corporation	Parent company	Purchases	1,084,281	67	Letter of credit at sight	-		(185,515)	(87)	
China Steel Chemical Corporation	Dragon Steel Corporation	The same parent company	Purchases	459,184	28	Letter of credit at sight	-		-	-	
China Steel Global Trading Corporation	China Steel Corporation	Parent company	Sales	(443,684)	(11)	Receivables were collected after final acceptance	-		102,637	54	
China Steel Global Trading Corporation	CSC Steel Sdn. Bhd.	The same parent company	Sales	(201,332)	(5)	Receivable were collected within 7 working days against copy of B/L	-		1,873	1	
China Steel Global Trading Corporation	Dragon Steel Corporation	The same parent company	Sales	(125,253)	(3)	Receivables were collected after final acceptance	-		26,023	14	
China Steel Global Trading Corporation	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	2,189,852	57	Payment from counter-party notice after shipping	-		-	-	
China Steel Global Trading Corporation	China Steel Corporation	Parent company	Purchases	697,686	18	Payment within 10 days after shipment date	-		(64,458)	(34)	Note
CSGT Metals Vietnam Joint Stock Company	China Steel Corporation	The ultimate parent company	Purchases	535,242	61	Payment within 14 days after shipment date	-		(24,672)	(37)	Note
CSGT Metals Vietnam Joint Stock Company	China Steel and Nippon Steel Vietnam Joint Stock Company	The same parent company	Purchases	376,750	25	Payment after shipment date	-		(40,544)	(60)	
China Steel Precision Metals Kunshan Co., Ltd.	China Steel Corporation	The ultimate parent company	Purchases	166,698	83	Payment within 85 days after shipment date	-		(42,311)	(88)	

Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
CHC Resources Corporation	TAIWAN CEMENT CORPORATION	Director of the board	Sales	(431,753)	(7)	Net 60 days from the end of the month of when invoice is issued	-		178,551	13	
CHC Resources Corporation	YA TUNG READY-MIXED CONCRETE CORP.	Subsidiary of director of the board	Sales	(279,987)	(4)	Net 60 days from the end of the month of when invoice is issued	-		81,643	6	
CHC Resources Corporation	Universal Cement Corporation	Director of the board	Sales	(114,246)	(2)	Net 60 days from the end of the month of when invoice is issued	-		10,417	1	
CHC Resources Corporation	China Steel Corporation	Parent company	Service revenue	(1,422,126)	(22)	Receivables were collected after final acceptance	-		384,844	28	
CHC Resources Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(853,133)	(13)	Receivables were collected after final acceptance	-		193,369	14	
CHC Resources Corporation	China Steel Resources Corporation	The same parent company	Service revenue	(360,773)	(6)	Receivables were collected after final acceptance	-		61,513	4	
CHC Resources Corporation	China Steel Corporation	Parent company	Purchases	401,960	20	Letter of credit	-		(12,271)	(4)	
CHC Resources Corporation	Dragon Steel Corporation	The same parent company	Purchases	152,088	8	Letter of credit	-		(3,287)	(1)	
CHC Resources Corporation	ASIA CEMENT CORPORATION	Director of the board	Purchases	117,317	6	45 days after B/L	-		(10,793)	(4)	
CHC Resources Corporation	Chung Hung Steel Corporation	The same parent company	Purchases	105,608	5	Letter of credit	-	NO THIRD-PARTY COULD BE COMPARED	(16,890)	(6)	
Union Steel Development Corporation	CHC Resources Corporation	Parent company	Service revenue	(133,647)	(66)	By contract terms	-		28,474	71	
CHC Resources Vietnam Co., Ltd	Formosa Ha Tinh Steel Corporation	Other related parties	Service revenue	(115,070)	(17)	Net 10 days from invoice date	-		18,836	25	
CHC Resources Vietnam Co., Ltd	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	225,024	97	Prepaid before shipment date	-		-	-	
InfoChamp Systems Corporation	China Steel Corporation	Parent company	Service revenue	(337,171)	(38)	By contract terms	-		122,681	48	
InfoChamp Systems Corporation	Dragon Steel Corporation	The same parent company	Service revenue	(116,087)	(13)	By contract terms	-		27,252	11	
China Steel Structure Co., Ltd.	China Steel Corporation	Parent company	Service revenue	(213,014)	(3)	Contractual period	-		38,825	3	
China Steel Structure Co., Ltd.	China Steel Corporation	Parent company	Purchases	2,105,652	57	Letter of credit / Prepaid before shipment date	-	Payment 7th of next month after accept supplier invoice.	(21,683)	(1)	
China Steel Structure Co., Ltd.	Dragon Steel Corporation	The same parent company	Purchases	818,415	22	Letter of credit	-	Payment 7th of next month after accept supplier invoice.	(15,313)	(1)	
United Steel Engineering & Construction Corporation	China Steel Corporation	The ultimate parent company	Construction revenue	(606,677)	(20)	Contractual period	-		37,937	24	
United Steel Engineering & Construction Corporation	China Prosperity Construction Corporation	The same parent company	Construction revenue	(114,385)	(4)	Contractual period	-		18,246	11	
China Ecotek Corporation	China Steel Corporation	Parent company	Construction revenue	(3,033,952)	(55)	Contractual period	-		336,806	28	
China Ecotek Corporation	Dragon Steel Corporation	The same parent company	Construction revenue	(1,674,313)	(30)	Contractual period	-		670,382	56	
China Steel Security Corporation	China Steel Corporation	Parent company	Service revenue	(218,010)	(25)	By contract terms	-		31,123	17	
Steel Castle Technology Corporation	United Steel Engineering & Construction Corporation	The same parent company	Service revenue	(603,158)	(56)	By contract terms	-		98,609	44	
Steel Castle Technology Corporation	China Steel Corporation	The ultimate parent company	Service revenue	(328,145)	(31)	By contract terms	-		84,239	38	
HIMAG Magnetic Corporation	China Steel Corporation	Parent company	Sales	(119,725)	(29)	Receivables were collected after final acceptance	-		5,522	6	
China Steel Machinery Corporation	China Steel Corporation	Parent company	Construction revenue	(1,063,409)	(46)	Receivables were collected after final acceptance	-		274,718	42	
China Steel Machinery Corporation	Dragon Steel Corporation	The same parent company	Construction revenue	(937,879)	(40)	Receivables were collected after final acceptance	-		311,009	47	



Buyer	Related Party	Relationship	Relationship				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
China Steel and Nippon Steel Vietnam Joint Stock Company	NIPPON STEEL SALES VIETNAM COMPANY LIMITED	Other related parties	Sales	(616,310)	(7)	Accounts receivable, 10 days term	-		82,596	8	Note
China Steel and Nippon Steel Vietnam Joint Stock Company	NS BlueScope (Vietnam) Limited	Other related parties	Sales	(249,032)	(3)	Accounts receivable, 60 days term	-		87,728	8	
China Steel and Nippon Steel Vietnam Joint Stock Company	CSGT Metals Vietnam Joint Stock Company	The same parent company	Sales	(221,612)	(3)	Accounts receivable, 30 days term	-		41,306	4	
China Steel and Nippon Steel Vietnam Joint Stock Company	China Steel Corporation	Parent company	Purchases	3,746,788	54	14 days after B/L/ Payment to the bank after the Corporation's shipment date	-		(7,330)	(1)	
China Steel and Nippon Steel Vietnam Joint Stock Company	NIPPON STEEL TRADING CORPORATION	Director of the board	Purchases	2,657,794	38	14 days after B/L	-		(125,750)	(10)	
China Steel and Nippon Steel Vietnam Joint Stock Company	Formosa Ha Tinh Steel Corporation	Other related parties	Purchases	570,190	8	08 days after B/L	-		-	-	
CSCI Steel Corporation India Pvt. Ltd.	China Steel Corporation	Parent company	Purchases	1,771,908	99	Payment to the bank after the Corporation's shipment date	-		-	-	
China Steel Resources Corporation	China Steel Corporation	Parent company	Service revenue	(464,147)	(100)	Net 60 days from the end of the month of when invoice is issued	-		80,535	100	
China Steel Resources Corporation	CHC Resources Corporation	The same parent company	Costs of Service	354,378	100	Payment after final acceptance	-		(61,513)	(100)	

Note: Purchase amount includes the Corporation's sales commitment to Dragon Steel Corporation.

**TABLE 5****CHINA STEEL CORPORATION AND SUBSIDIARIES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL**  
**JUNE 30, 2025**  
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss	Note
					Amount	Actions Taken			
China Steel Corporation	Sing Da Marine Structure Corporation	Subsidiary	2,022,088	-	-		-	-	Note
China Steel Corporation	China Steel Resources Corporation	Subsidiary	695,750	-	-		-	-	Note
China Steel Corporation	C.S.Aluminium Corporation	Subsidiary	616,185	-	-		-	-	Note
China Steel Corporation	Kaohsiung Rapid Transit Corporation	Subsidiary	361,023	-	-		-	-	Note
China Steel Corporation	China Steel Chemical Corporation	Subsidiary	178,609	11	-		146,302	-	
China Steel Corporation	HIMAG Magnetic Corporation	Subsidiary	135,981	-	-		228	-	Note
China Steel Corporation	Chung Hung Steel Corporation	Subsidiary	135,494	64	-		133,687	-	
Dragon Steel Corporation	China Steel Corporation	Parent company	129,378	25	-		125,234	-	
Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	Parent company	293,276	5	-		80,554	-	
Suzhou Betacera Technology Co., Ltd.	Betacera Inc.	Parent company	123,874	4	-		42,161	-	
China Steel Express Corporation	China Steel Corporation	Parent company	291,967	28	-		54,213	-	
CSE Transport Corporation	China Steel Corporation	The ultimate parent company	146,813	18	-		-	-	
C.S.Aluminium Corporation	China Steel Corporation	Parent company	194,290	15	-		-	-	
China Prosperity Development Corporation	China Steel Corporation	Parent company	803,942	-	-		-	-	Note
Chung Hung Steel Corporation	China Steel Corporation	Parent company	259,950	-	-		-	-	Note
China Steel Global Trading Corporation	China Steel Corporation	Parent company	113,511	10	-		60,726	-	
CHC Resources Corporation	China Steel Corporation	Parent company	384,844	8	4,169	Expected to be received before the end of JUL. 2025	25,009	-	
CHC Resources Corporation	Dragon Steel Corporation	The same parent company	193,369	9	-		5,567	-	
CHC Resources Corporation	TAIWAN CEMENT CORPORATION	Director of the board	178,551	5	-		-	-	
InfoChamp Systems Corporation	China Steel Corporation	Parent company	122,832	7	-		57,138	-	
InfoChamp Systems Corporation	China Steel Corporation	Parent company	120,591	-	-		-	-	Note
China Steel Power Corporation	CI III Zhong Neng K/S SCSp	Other related parties	1,101,251	-	-		-	-	Note
China Ecotek Corporation	Dragon Steel Corporation	The same parent company	670,382	7	-		99,312	-	
China Ecotek Corporation	China Steel Corporation	Parent company	336,806	22	-		280,858	-	
HIMAG Magnetic Corporation	MagnPower Corporation	Subsidiary	161,633	-	-		-	-	Note
China Steel Machinery Corporation	Dragon Steel Corporation	The same parent company	311,009	6	-		-	-	
China Steel Machinery Corporation	China Steel Corporation	Parent company	274,718	11	-		149,381	-	

Note: Other receivables.

**TABLE 6****CHINA STEEL CORPORATION AND SUBSIDIARIES**
**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE PERIOD ENDED JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total Sales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
0	China Steel Corporation	Chung Hung Steel Corporation	1	Sales	2,547,531	Letter of credit/Receivables were collected after final acceptance	2
0	China Steel Corporation	China Steel Structure Co., Ltd.	1	Sales	2,105,652	Letter of credit/Accounts received in advance before shipment date	1
0	China Steel Corporation	CSCI Steel Corporation India Pvt. Ltd.	1	Sales	1,779,425	Accounts receivable factoring agreements	1
0	China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	1	Sales	1,376,555	Accounts receivable factoring agreements/Receivables were collected within 14 days after shipment date	1
0	China Steel Corporation	China Steel Chemical Corporation	1	Sales	1,084,281	Letter of credit	1
0	China Steel Corporation	CSC Steel Sdn. Bhd.	1	Sales	558,913	Receivables were collected within 14 days after shipment date	-
0	China Steel Corporation	CSGT Metals Vietnam Joint Stock Company	1	Sales	520,357	Receivables were collected within 14 days after shipment date	-
0	China Steel Corporation	CHC Resources Corporation	1	Sales	394,333	Letter of credit	-
0	China Steel Corporation	China Steel Global Trading Corporation	1	Sales	342,617	Receivables were collected within 10 days after shipment date	-
0	China Steel Corporation	China Steel Precision Metals Kunshan Co., Ltd.	1	Sales	166,303	Receivables were collected within 85 days after shipment date	-
0	China Steel Corporation	Dragon Steel Corporation	1	Service revenue and other operating revenue	410,053	By contract terms	-
0	China Steel Corporation	China Steel Express Corporation	1	Purchases	2,770,434	Payment against copy of B/L	2
0	China Steel Corporation	Dragon Steel Corporation	1	Purchases	2,439,082	Payment within 5 days after shipment date/Payment after final acceptance	1
0	China Steel Corporation	C.S.Aluminium Corporation	1	Purchases	1,297,132	Payment after final acceptance	1
0	China Steel Corporation	CSE Transport Corporation	1	Purchases	1,081,842	Payment against copy of B/L	1
0	China Steel Corporation	China Steel Global Trading Corporation	1	Purchases	443,684	Payment after final acceptance	-
0	China Steel Corporation	HIMAG Magnetic Corporation	1	Purchases	117,068	Payment after final acceptance	-
1	Dragon Steel Corporation	China Steel Corporation	2	Sales	2,368,220	Receivables were collected within 5 days after shipment date/Receivables were collected after final acceptance	1

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total Sales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
1	Dragon Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	3	Sales	2,278,402	Receivables were collected within 5 days after shipment date	1
1	Dragon Steel Corporation	Chung Hung Steel Corporation	3	Sales	1,893,424	Receivables were collected within 5 days after shipment date	1
1	Dragon Steel Corporation	CSC Steel Sdn. Bhd.	3	Sales	1,404,229	Receivables were collected within 5 days after shipment date	1
1	Dragon Steel Corporation	China Steel Structure Co., Ltd.	3	Sales	816,940	Receivables were collected within 5 days after shipment date/Letter of credit	-
1	Dragon Steel Corporation	China Steel Chemical Corporation	3	Sales	459,184	Receivables were collected within 5 days after shipment date	-
1	Dragon Steel Corporation	China Steel Global Trading Corporation	3	Sales	352,795	Receivables were collected within 5 days after shipment date/Accounts received in advance before shipment date	-
1	Dragon Steel Corporation	CHC Resources Corporation	3	Sales	152,116	Receivables were collected within 5 days after shipment date/Letter of credit	-
1	Dragon Steel Corporation	China Steel Express Corporation	3	Purchases	1,260,175	Payment against copy of B/L	1
1	Dragon Steel Corporation	C.S.Aluminium Corporation	3	Purchases	307,313	Payment after final acceptance	-
1	Dragon Steel Corporation	CSE Transport Corporation	3	Purchases	270,700	Payment against copy of B/L	-
1	Dragon Steel Corporation	China Steel Corporation	2	Purchases	214,323	Payment within 5 days after shipment date	-
1	Dragon Steel Corporation	China Steel Global Trading Corporation	3	Purchases	125,253	Payment after final acceptance	-
2	Betacera Inc.	China Steel Corporation	2	Sales	281,031	Receivables were collected after final acceptance	-
2	Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	1	Sales	231,733	Net 90-180 days from the end of the month of when invoice is issued	-
2	Betacera Inc.	Betacera (Su Zhou) Co., Ltd.	1	Purchases	734,656	Net 90-180 days from the end of the month of when invoice is issued	-
2	Betacera Inc.	Suzhou Betacera Technology Co., Ltd.	1	Purchases	261,877	Net 90-180 days from the end of the month of when invoice is issued	-
3	Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	2	Sales	720,077	Net 90-180 days from the end of the month of when invoice is issued	-
3	Betacera (Su Zhou) Co., Ltd.	Betacera Inc.	2	Purchases	228,088	Net 90-180 days from the end of the month of when invoice is issued	-
4	Suzhou Betacera Technology Co., Ltd.	Betacera Inc.	2	Sales	258,068	Net 90-180 days from the end of the month of when invoice is issued	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total Sales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
5	ThinTech Materials Technology Co., Ltd.	China Steel Corporation	2	Sales	191,392	Receivables were collected within 30 days after final acceptance	-
6	China Steel Express Corporation	China Steel Corporation	2	Service revenue	3,377,003	Receivable were collected within 10 working days against copy of B/L	2
6	China Steel Express Corporation	Dragon Steel Corporation	3	Service revenue	1,415,030	Receivable were collected within 10 working days against copy of B/L	1
6	China Steel Express Corporation	CHC Resources Corporation	3	Service revenue	472,660	Receivable were collected within 10 working days against copy of B/L	-
6	China Steel Express Corporation	CSE Transport Corporation	1	Purchases	161,871	Payment against copy of B/L	-
7	CSE Transport Corporation	China Steel Corporation	2	Service revenue	1,067,929	Receivable were collected within 10 working days against copy of B/L	1
7	CSE Transport Corporation	Dragon Steel Corporation	3	Service revenue	267,334	Receivable were collected within 10 working days against copy of B/L	-
7	CSE Transport Corporation	China Steel Express Corporation	2	Service revenue	159,240	Receivable were collected within 10 working days against copy of B/L	-
8	C.S.Aluminium Corporation	China Steel Corporation	2	Sales	1,297,132	Receivables were collected after final acceptance	1
8	C.S.Aluminium Corporation	Dragon Steel Corporation	3	Sales	307,313	Receivables were collected after final acceptance	-
9	CSC Steel Sdn. Bhd.	Dragon Steel Corporation	3	Purchases	1,453,198	Payment after shipping document specified	1
9	CSC Steel Sdn. Bhd.	China Steel Corporation	2	Purchases	552,972	Payment after shipping document specified	-
9	CSC Steel Sdn. Bhd.	Chung Hung Steel Corporation	3	Purchases	509,275	Payment after shipping document specified	-
9	CSC Steel Sdn. Bhd.	China Steel Global Trading Corporation	3	Purchases	183,987	Payment after shipping document specified	-
10	Chung Hung Steel Corporation	CSC Steel Sdn. Bhd.	3	Sales	488,114	T/T within 7 working days against copy of B/L	-
10	Chung Hung Steel Corporation	China Steel Corporation	2	Service revenue	118,169	T/T as the end of the month of when invoice is issued after final acceptance	-
10	Chung Hung Steel Corporation	China Steel Corporation	2	Purchases	2,586,157	Letter of credit at sight/Payment after final acceptance	2
10	Chung Hung Steel Corporation	Dragon Steel Corporation	3	Purchases	1,910,709	Letter of credit at sight/Prepaid before shipment date	1
11	China Steel Chemical Corporation	China Steel Corporation	2	Purchases	1,084,281	Letter of credit at sight	1
11	China Steel Chemical Corporation	Dragon Steel Corporation	3	Purchases	459,184	Letter of credit at sight	-
12	China Steel Global Trading Corporation	China Steel Corporation	2	Sales	443,684	Receivables were collected after final acceptance	-

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total Sales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
12	China Steel Global Trading Corporation	CSC Steel Sdn. Bhd.	3	Sales	201,332	Receivable were collected within 7 working days against copy of B/L	-
12	China Steel Global Trading Corporation	Dragon Steel Corporation	3	Sales	125,253	Receivables were collected after final acceptance	-
12	China Steel Global Trading Corporation	China Steel Corporation	2	Purchases(Note2)	697,686	Payment within 10 days after shipment date	-
13	CSGT Metals Vietnam Joint Stock Company	China Steel Corporation	2	Purchases(Note2)	535,242	Payment within 14 days after shipment date	-
13	CSGT Metals Vietnam Joint Stock Company	China Steel and Nippon Steel Vietnam Joint Stock Company	3	Purchases	376,750	Payment after shipment date	-
14	China Steel Precision Metals Kunshan Co., Ltd.	China Steel Corporation	2	Purchases	166,698	Payment within 85 days after shipment date	-
15	CHC Resources Corporation	China Steel Corporation	2	Service revenue	1,422,126	Receivables were collected after final acceptance	1
15	CHC Resources Corporation	Dragon Steel Corporation	3	Service revenue	853,133	Receivables were collected after final acceptance	1
15	CHC Resources Corporation	China Steel Resources Corporation	3	Service revenue	360,773	Receivables were collected after final acceptance	-
15	CHC Resources Corporation	China Steel Corporation	2	Purchases	401,960	Letter of credit	-
15	CHC Resources Corporation	Dragon Steel Corporation	3	Purchases	152,088	Letter of credit	-
15	CHC Resources Corporation	Chung Hung Steel Corporation	3	Purchases	105,608	Letter of credit	-
16	Union Steel Development Corporation	CHC Resources Corporation	2	Service revenue	133,647	By contract terms	-
17	InfoChamp Systems Corporation	China Steel Corporation	2	Service revenue	337,171	By contract terms	-
17	InfoChamp Systems Corporation	Dragon Steel Corporation	3	Service revenue	116,087	By contract terms	-
18	China Steel Structure Co., Ltd.	China Steel Corporation	2	Service revenue	213,014	Contractual period	-
18	China Steel Structure Co., Ltd.	China Steel Corporation	2	Purchases	2,105,652	Letter of credit/Prepaid before shipment date	1
18	China Steel Structure Co., Ltd.	Dragon Steel Corporation	3	Purchases	818,415	Letter of credit	-
19	United Steel Engineering & Construction Corporation	China Steel Corporation	2	Construction revenue	606,677	Contractual period	-
19	United Steel Engineering & Construction Corporation	China Prosperity Construction Corporation	3	Construction revenue	114,385	Contractual period	-
20	China Ecotek Corporation	China Steel Corporation	2	Construction revenue	3,033,952	Contractual period	2
20	China Ecotek Corporation	Dragon Steel Corporation	3	Construction revenue	1,674,313	Contractual period	1
21	China Steel Security Corporation	China Steel Corporation	2	Service revenue	218,010	By contract terms	-
22	Steel Castle Technology Corporation	United Steel Engineering & Construction Corporation	3	Service revenue	603,158	By contract terms	-
22	Steel Castle Technology Corporation	China Steel Corporation	2	Service revenue	328,145	By contract terms	-
23	HIMAG Magnetic Corporation	China Steel Corporation	2	Sales	119,725	Receivables were collected after final acceptance	-
24	China Steel Machinery Corporation	China Steel Corporation	2	Construction revenue	1,063,409	Receivables were collected after final acceptance	1
24	China Steel Machinery Corporation	Dragon Steel Corporation	3	Construction revenue	937,879	Receivables were collected after final acceptance	1

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% of Total Sales or Assets
				Financial Statement Accounts	Amount	Payment Terms	
25	China Steel and Nippon Steel Vietnam Joint Stock Company	CSGT Metals Vietnam Joint Stock Company	3	Sales	221,612	Accounts receivable, 30 days term	-
25	China Steel and Nippon Steel Vietnam Joint Stock Company	China Steel Corporation	2	Purchases(Note2)	3,746,788	14 days after B/L/Payment to the bank after the Corporation's shipment date	2
26	CSCI Steel Corporation India Pvt. Ltd.	China Steel Corporation	2	Purchases	1,771,908	Payment to the bank after the Corporation's shipment date	1
27	China Steel Resources Corporation	China Steel Corporation	2	Service revenue	464,147	Net 60 days from the end of the month of when invoice is issued	-
27	China Steel Resources Corporation	CHC Resources Corporation	3	Costs of Service	354,378	Payment after final acceptance	-

Note 1: The relationships with counterparties are as follows:

- 1) Parent to subsidiaries
- 2) Subsidiaries to parent
- 3) Subsidiaries to subsidiaries

Note 2: Purchase amount includes the Corporation's sales commitment to Dragon Steel Corporation.

**TABLE 7****CHINA STEEL CORPORATION AND SUBSIDIARIES****INFORMATION ON INVESTEEES  
FOR THE PERIOD ENDED JUNE 30, 2025****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
China Steel Corporation	Chung Hung Steel Corporation	Republic of China	Manufacture and sale of steel products	5,539,872	5,539,872	582,673,153	41	5,761,093	(1,048,870)	(425,685)	Subsidiary
China Steel Corporation	China Steel Chemical Corporation	Republic of China	Manufacture of coal chemicals and specialty chemicals, and production and sale of anode materials and carbon materials	334,285	334,285	68,787,183	29	2,318,090	374,438	105,792	Subsidiary
China Steel Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and GBFS cement, air-cooled BFS and BOFS, recycling of resources	261,677	261,677	49,289,597	20	1,137,627	671,000	132,936	Subsidiary
China Steel Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of steel structures	1,024,194	1,024,194	66,487,844	33	1,106,369	273,302	60,286	Subsidiary
China Steel Corporation	China Ecotek Corporation	Republic of China	Environmental and electromechanical engineering, Operation & Maintenance (O&M)	554,268	554,268	55,393,138	45	659,076	231,560	24,511	Subsidiary
China Steel Corporation	Dragon Steel Corporation	Republic of China	Hot-rolled coils, H beams, billets, flat steels	95,779,069	95,779,069	8,612,586,123	100	84,043,331	(4,307,121)	(4,276,401)	Subsidiary
China Steel Corporation	CSC Steel Australia Holdings Pty Ltd	Australia	General investment	17,359,623	17,359,623	594,638	100	23,414,923	695,540	695,540	Subsidiary
China Steel Corporation	China Steel Express Corporation	Republic of China	Raw material shipping services and ship leasing	2,504,071	2,504,071	422,545,250	100	11,793,757	674,797	793,181	Subsidiary
China Steel Corporation	Gains Investment Corporation	Republic of China	General investment	4,999,940	4,999,940	596,992,650	100	9,054,316	142,789	142,990	Subsidiary
China Steel Corporation	C.S.Aluminium Corporation	Republic of China	Production and trading of aluminum products and other non-ferrous metal products	3,922,801	3,922,801	840,122,049	100	8,626,224	35,003	67,722	Subsidiary
China Steel Corporation	China Steel Power Holding Corporation	Republic of China	General investment	7,135,920	6,700,890	713,592,000	51	7,464,428	(137,591)	(70,171)	Subsidiary
China Steel Corporation	China Steel and Nippon Steel Vietnam Joint Stock Company	Vietnam	Manufacture and sale of steel products	9,651,239	9,651,239	514,304,000	56	6,245,918	(350,297)	(196,167)	Subsidiary
China Steel Corporation	China Prosperity Development Corporation	Republic of China	Development of real estate	4,749,938	4,749,938	509,802,912	100	4,917,252	112,826	113,345	Subsidiary
China Steel Corporation	China Steel Asia Pacific Holdings Pte Ltd	Singapore	Holding and investment	4,773,118	4,773,118	116,996,967	100	4,357,640	141,855	141,855	Subsidiary
China Steel Corporation	China Steel Global Trading Corporation	Republic of China	Sales agent and trading of steel products	309,502	309,502	78,827,362	100	2,158,496	95,647	95,570	Subsidiary
China Steel Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass rapid transit system operations	4,038,501	4,038,501	122,085,874	44	1,248,741	99,919	43,693	Subsidiary
China Steel Corporation	CSC Solar Corporation	Republic of China	Solar power generation	959,200	959,200	95,920,000	55	1,112,543	65,155	35,994	Subsidiary
China Steel Corporation	China Steel Resources Corporation	Republic of China	Manufacture of other non-metallic mineral products	981,120	981,120	98,112,000	100	1,005,930	10,343	10,790	Subsidiary
China Steel Corporation	CSCI Steel Corporation India Pvt. Ltd.	India	Electrical sheets	3,795,159	3,795,159	253,567,202	100	736,942	79,969	79,969	Subsidiary
China Steel Corporation	China Steel Security Corporation	Republic of China	On-site guarding and system security	149,940	149,940	25,036,986	100	487,038	40,003	40,259	Subsidiary
China Steel Corporation	China Steel Machinery Corporation	Republic of China	Manufacture and sale of mechanical equipment, including steel making equipment, rolling stock, transportation equipment, power plant equipment, etc.	591,748	591,748	100,066,400	74	431,664	13,083	(51,101)	Subsidiary
China Steel Corporation	HIMAG Magnetic Corporation	Republic of China	Manufacture and trading of magnetic materials, specialty chemicals and iron oxide	389,497	389,497	27,815,765	69	360,526	7,052	4,931	Subsidiary
China Steel Corporation	Sing Da Marine Structure Corporation	Republic of China	Steel structure related business	4,879,624	4,671,000	222,695,000	85	312,513	(360,497)	(198,615)	Subsidiary
China Steel Corporation	InfoChamp Systems Corporation	Republic of China	ERP system integration services	357,602	357,602	41,465,634	100	284,069	93,391	53,491	Subsidiary
China Steel Corporation	China Steel Management Consulting Corporation	Republic of China	Corporate business management consulting	15,144	15,144	999,993	100	16,955	475	475	Subsidiary
China Steel Corporation	China Steel Power Corporation	Republic of China	Offshore Wind Power Generation	-	-	10	-	-	(137,305)	-	Subsidiary



Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
China Steel Corporation	Taiwan Rolling Stock Co., Ltd.	Republic of China	Manufacture of railway vehicles	970,044	970,044	95,527,811	48	703,813	22,441	10,718	Associate
China Steel Corporation	Kaohsiung Arena Development Corporation	Republic of China	Development of competitive and leisure sports	450,000	450,000	45,000,000	18	582,586	102,897	18,521	Associate
China Steel Corporation	Hsin Hsin Cement Enterprise Corporation	Republic of China	Cement manufacturing, nonmetallic mining, cement and concrete mixing manufacturing	320,929	320,929	28,658,729	31	407,294	58,938	19,369	Associate
China Steel Corporation	Eminent II Venture Capital Corporation	Republic of China	General investment	195,000	195,000	19,500,000	46	138,202	(13,114)	(6,065)	Associate
China Steel Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	591,639	591,639	35,751,427	29	112,166	(47,976)	(16,590)	Associate
China Steel Corporation	Overseas Investment & Development Corporation	Republic of China	General investment	50,000	50,000	5,000,000	6	62,635	(1,098)	(61)	Associate
China Steel Corporation	TaiAn Technologies Corporation	Republic of China	Bio-Tech consultants and management	7,629	7,629	1,666,700	17	21,338	2,364	394	Associate
China Steel Corporation	Taiwan Smart Electricity & Energy Co., Ltd.	Republic of China	Renewable Energy-Based Electricity Retailing Enterprise	10,000	10,000	1,000,000	50	3,623	(11,832)	(5,916)	Associate
Chung Hung Steel Corporation	Transglory Investment Corporation	Republic of China	General investment	2,001,152	2,001,152	337,554,151	40	2,288,586	1,214	-	Subsidiary
Chung Hung Steel Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	200,000	200,000	20,000,000	17	212,905	11,177	-	Subsidiary
Chung Hung Steel Corporation	Hung Kao Investment Corporation	Republic of China	General investment	26,000	26,000	2,600,000	100	23,386	(35)	-	Subsidiary
China Steel Chemical Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and GBFS cement, air-cooled BFS and BOFS, recycling of resources	91,338	91,338	15,019,341	6	361,278	671,000	-	Subsidiary
China Steel Chemical Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of steel structures	13,675	13,675	600,069	-	15,792	273,302	-	Subsidiary
China Steel Chemical Corporation	Ever Wealthy International Corporation	Republic of China	General investment	300,083	300,083	107,712,232	100	1,277,638	(529)	-	Subsidiary
China Steel Chemical Corporation	Transglory Investment Corporation	Republic of China	General investment	450,000	450,000	75,911,726	9	514,457	1,214	-	Subsidiary
China Steel Chemical Corporation	CSC Solar Corporation	Republic of China	Solar power generation	261,600	261,600	26,160,000	15	302,453	65,155	-	Subsidiary
China Steel Chemical Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	60,000	60,000	6,000,000	5	63,872	11,177	-	Subsidiary
China Steel Chemical Corporation	HIMAG Magnetic Corporation	Republic of China	Manufacture and trading of magnetic materials, specialty chemicals and iron oxide	47,950	47,950	3,133,744	8	40,669	7,052	-	Subsidiary
China Steel Chemical Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	15,070	15,070	1,196,000	40	24,157	(121)	-	Subsidiary
China Steel Chemical Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	7,000	7,000	700,000	35	10,706	(3)	-	Subsidiary
China Steel Chemical Corporation	Eminent Venture Capital Corporation	Republic of China	General Investment	3,375	3,375	337,500	5	3,483	(11,483)	-	Subsidiary
China Steel Chemical Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	160,000	160,000	16,000,000	9	98,324	(65,032)	-	Associate
China Steel Chemical Corporation	TaiAn Technologies Corporation	Republic of China	Bio-Tech consultants and management	2,295	2,295	499,998	5	6,400	2,364	-	Associate
Ever Wealthy International Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of steel structures	29,281	29,281	532,000	-	14,213	273,302	-	Subsidiary
Ever Wealthy International Corporation	ThinTech Materials Technology Co., Ltd.	Republic of China	Manufacture and sale of sputtering targets	38,203	42,396	5,083,748	5	79,581	(2,372)	-	Subsidiary
Ever Wealthy International Corporation	HIMAG Magnetic Corporation	Republic of China	Manufacture and trading of magnetic materials, specialty chemicals and iron oxide	33,015	33,015	2,297,860	6	29,813	7,052	-	Subsidiary
Ever Wealthy International Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	8,400	8,400	840,000	35	14,566	1,402	-	Subsidiary
Ever Wealthy International Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	9,000	9,000	900,000	45	13,765	(3)	-	Subsidiary
Ever Wealthy International Corporation	Ding Da Investment Corporation	Republic of China	General investment	10,495	10,495	897,000	30	13,708	740	-	Subsidiary
Ever Wealthy International Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	100,985	100,985	8,034,528	7	79,404	(47,976)	-	Associate
China Ecotek Corporation	CEC Development Corporation	Samoa	General investment	478,579	478,579	17,000,000	100	927,173	11,899	-	Subsidiary
China Ecotek Corporation	China Steel Machinery Corporation	Republic of China	Manufacture and sale of mechanical equipments, including steel making equipment, rolling stock, transportation equipment, power plant equipment, etc.	329,174	329,174	35,204,170	26	474,510	13,083	-	Subsidiary
China Ecotek Corporation	CSC Solar Corporation	Republic of China	Solar power generation	348,800	348,800	34,880,000	20	309,359	65,155	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
China Ecotek Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	60,000	60,000	6,000,000	5	63,872	11,177	-	Subsidiary
China Ecotek Corporation	CEC International Corporation	Samoa	General investment	30,642	30,642	10,000,000	100	33,033	321	-	Subsidiary
China Ecotek Corporation	Chiun Yu Investment Corporation	Republic of China	General investment	14,233	14,233	1,196,000	40	20,962	224	-	Subsidiary
China Ecotek Corporation	Jiing-Cherng-Fa Investment Corporation	Republic of China	General investment	8,050	8,050	805,000	35	12,470	523	-	Subsidiary
China Ecotek Corporation	Chi-Yi Investment Corporation	Republic of China	General investment	8,000	8,000	800,000	40	12,315	(3)	-	Subsidiary
China Ecotek Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	6,000	6,000	600,000	30	9,176	(3)	-	Subsidiary
China Ecotek Corporation	China Ecotek India Private Limited	India	Construction engineering	27	27	5,000	-	33	348	-	Subsidiary
China Ecotek Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	100,000	100,000	10,000,000	6	61,452	(65,032)	-	Associate
China Ecotek Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	34,000	34,000	2,000,000	2	31,676	(47,976)	-	Associate
CEC International Corporation	China Ecotek India Private Limited	India	Construction engineering	27,070	27,070	4,995,000	100	32,797	348	-	Subsidiary
CEC Development Corporation	China Ecotek Vietnam Company Limited	Vietnam	Construction engineering	302,065	302,065	-	100	744,372	12,014	-	Subsidiary
China Steel Structure Co., Ltd.	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and GBFS cement, air-cooled BFS and BOFS, recycling of resources	132,715	132,715	23,182,738	9	558,060	671,000	-	Subsidiary
China Steel Structure Co., Ltd.	United Steel Engineering & Construction Corporation	Republic of China	Contracting and management of civil engineering construction, etc.	410,000	410,000	80,000,000	100	1,318,630	71,755	-	Subsidiary
China Steel Structure Co., Ltd.	Pro-Ascentek Investment Corporation	Republic of China	General investment	40,000	40,000	4,000,000	3	42,538	11,177	-	Subsidiary
China Steel Structure Co., Ltd.	Chiun Yu Investment Corporation	Republic of China	General investment	12,453	12,453	1,046,500	35	18,342	224	-	Subsidiary
China Steel Structure Co., Ltd.	HIMAG Magnetic Corporation	Republic of China	Manufacture and trading of magnetic materials, specialty chemicals and iron oxide	17,080	17,080	1,116,252	3	14,491	7,052	-	Subsidiary
China Steel Structure Co., Ltd.	Chi-Yi Investment Corporation	Republic of China	General investment	6,000	6,000	600,000	30	9,236	(3)	-	Subsidiary
China Steel Structure Co., Ltd.	Li-Ching-Long Investment Corporation	Republic of China	General investment	6,000	6,000	600,000	30	9,176	(3)	-	Subsidiary
China Steel Structure Co., Ltd.	Wabo Global Trading Corporation	Republic of China	Sales agent and trading of steel products	1,500	1,500	714,000	6	6,579	6,182	-	Subsidiary
China Steel Structure Co., Ltd.	China Steel Structure Holding Co., Ltd.	Samoa	Holding and investment	-	-	10	100	109	(12)	-	Subsidiary
China Steel Structure Co., Ltd.	Sing Da Marine Structure Corporation	Republic of China	Steel structure related business	250,000	250,000	20,000,000	8	33,950	(360,497)	-	Subsidiary
China Steel Structure Co., Ltd.	Nikken & CSSC Metal Products Co., Ltd.	Republic of China	Building materials wholesale industry, pollution prevention equipment wholesale industry, etc.	6,750	6,750	675,000	45	7,673	3,778	-	Associate
United Steel Engineering & Construction Corporation	Transglory Investment Corporation	Republic of China	General investment	287,500	287,500	27,503,866	3	186,707	1,214	-	Subsidiary
United Steel Engineering & Construction Corporation	China Prosperity Construction Corporation	Republic of China	Development of real estate	53,550	53,550	5,355,000	40	53,648	(2,683)	-	Subsidiary
United Steel Engineering & Construction Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	20,000	20,000	2,000,000	2	21,333	11,177	-	Subsidiary
United Steel Engineering & Construction Corporation	Shin Mau Investment Corporation	Republic of China	General investment	13,754	13,754	1,196,000	40	20,626	1,940	-	Subsidiary
United Steel Engineering & Construction Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass rapid transit system operations	15,433	15,433	1,543,276	1	15,622	99,919	-	Subsidiary
United Steel Engineering & Construction Corporation	Kaohsiung Arena Development Corporation	Republic of China	Development of competitive and leisure sports	100,000	100,000	10,000,000	4	129,259	102,897	-	Associate
United Steel Engineering & Construction Corporation	Overseas Investment & Development Corporation	Republic of China	General investment	44,100	44,100	4,410,000	5	55,200	(1,098)	-	Associate
CHC Resources Corporation	CHC Resources Vietnam Co., Ltd	Vietnam	Manufacture and sales of ground granulated BFS and sale of water-quenched slag	647,338	647,338	-	85	642,577	61,643	-	Subsidiary
CHC Resources Corporation	Yu Cheng Lime Corporation	Republic of China	Real estate leasing and tally service of raw materials	126,010	126,010	108,000	90	140,903	1,615	-	Subsidiary
CHC Resources Corporation	Union Steel Development Corporation	Republic of China	Manufacture and sale of iron powder, contract manufacturing and sale of refractory materials, trading and labor dispatching	53,345	53,345	4,668,333	93	86,540	12,541	-	Subsidiary
CHC Resources Corporation	Pao Good Industrial Co., Ltd.	Republic of China	Trading of fly ash, production and sale of dry-mix mortar and trading business	50,937	50,937	5,408,550	51	84,720	2,920	-	Subsidiary
CHC Resources Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	30,000	30,000	3,000,000	3	31,936	11,177	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
CHC Resources Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	12,306	12,306	1,046,500	35	21,137	(121)	-	Subsidiary
CHC Resources Corporation	Ding Da Investment Corporation	Republic of China	General investment	12,516	12,516	1,196,000	40	18,277	740	-	Subsidiary
CHC Resources Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	9,600	9,600	960,000	40	16,647	1,402	-	Subsidiary
CHC Resources Corporation	Shin Mau Investment Corporation	Republic of China	General investment	10,316	10,316	897,000	30	15,469	1,940	-	Subsidiary
CHC Resources Corporation	Jiing-Cherng-Fa Investment Corporation	Republic of China	General investment	9,200	9,200	920,000	40	14,251	523	-	Subsidiary
CHC Resources Corporation	HIMAG Magnetic Corporation	Republic of China	Manufacture and trading of magnetic materials, specialty chemicals and iron oxide	10,970	10,970	716,938	2	9,297	7,052	-	Subsidiary
CHC Resources Corporation	Hsin Hsin Cement Enterprise Corporation	Republic of China	Cement manufacturing, nonmetallic mining, cement and concrete mixing manufacturing	73,269	73,269	9,298,583	10	129,740	58,938	-	Associate
CHC Resources Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	30,000	30,000	3,000,000	2	18,436	(65,032)	-	Associate
China Steel Security Corporation	Steel Castle Technology Corporation	Republic of China	Installation of fire protection equipment	31,257	31,257	13,000,000	100	252,994	24,005	-	Subsidiary
China Steel Security Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass rapid transit system operations	17,000	17,000	1,700,000	1	17,295	99,919	-	Subsidiary
China Steel Security Corporation	China Steel Management And Maintenance For Buildings Corporation	Republic of China	Management and maintenance for buildings	10,000	10,000	1,000,000	100	13,328	618	-	Subsidiary
China Steel Security Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	10,000	10,000	1,000,000	1	6,154	(65,032)	-	Associate
China Prosperity Development Corporation	Chateau International Development Co., Ltd.	Republic of China	Development of leisure business	125,774	127,173	23,298,623	16	402,307	(35,168)	-	Associate
China Prosperity Development Corporation	CK Japan Co., Ltd.	Japan	Leasing of real estate	151,526	151,526	3,840	80	173,080	7,144	-	Subsidiary
China Prosperity Development Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass rapid transit system operations	130,000	130,000	13,000,000	5	133,035	99,919	-	Subsidiary
China Prosperity Development Corporation	China Prosperity Construction Corporation	Republic of China	Development of real estate	92,105	92,105	8,032,500	60	80,472	(2,683)	-	Subsidiary
China Prosperity Development Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	50,000	50,000	5,000,000	4	53,260	11,177	-	Subsidiary
China Prosperity Development Corporation	Kaohsiung Arena Development Corporation	Republic of China	Development of competitive and leisure sports	175,000	175,000	17,500,000	7	226,169	102,897	-	Associate
HIMAG Magnetic Corporation	MagnPower Corporation	Republic of China	Powder metallurgy	400,208	400,208	18,210,000	100	(3,728 )	(4,713)	-	Subsidiary
China Steel Power Holding Corporation	China Steel Power Corporation	Republic of China	Offshore Wind Power Generation	13,986,000	13,133,000	1,398,599,990	100	14,630,878	(137,305)	-	Subsidiary
CSC Solar Corporation	China Ecotek Corporation	Republic of China	Environmental and electromechanical engineering, Operation & Maintenance (O&M)	-	4,826	-	-	-	231,560	-	Subsidiary
CSC Solar Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	30,000	30,000	3,000,000	3	31,936	11,177	-	Subsidiary
InfoChamp Systems Corporation	Universal Exchange Inc.	Republic of China	Wholesale, service of IT software and electronic information services supply	60,784	60,784	5,825,030	35	71,978	19,738	-	Subsidiary
InfoChamp Systems Corporation	Kaohsiung Rapid Transit Corporation	Republic of China	Mass rapid transit system operations	40,265	40,265	5,200,319	2	53,020	99,919	-	Subsidiary
InfoChamp Systems Corporation	Info-Champ System (B.V.I) Corporation	British Virgin Islands	Holding and investment	6,816	6,816	201,000	100	23,521	2,269	-	Subsidiary
InfoChamp Systems Corporation	Majestic Solid Light Corporation	Republic of China	Manufacture and sale of UV LED	4,500	4,500	450,000	45	-	-	-	Associate
Kaohsiung Rapid Transit Corporation	Taiwan Intelligent Transportation Co., Ltd.	Republic of China	Technical services	26,000	26,000	2,600,000	100	26,581	(1,898)	-	Subsidiary
China Steel Machinery Corporation	Sing Da Marine Structure Corporation	Republic of China	Steel structure related business	250,000	250,000	20,000,000	8	33,950	(360,497)	-	Subsidiary
China Steel Machinery Corporation	Overseas Investment & Development Corporation	Republic of China	General investment	95,900	95,900	9,590,000	11	120,088	(1,098)	-	Associate
Dragon Steel Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of steel structures	138,375	138,375	4,217,000	2	110,994	273,302	-	Subsidiary
Dragon Steel Corporation	CSC Solar Corporation	Republic of China	Solar power generation	174,400	174,400	17,440,000	10	201,636	65,155	-	Subsidiary
Dragon Steel Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	100,000	100,000	10,000,000	8	106,453	11,177	-	Subsidiary
C.S.Aluminium Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	30,000	30,000	3,000,000	3	31,936	11,177	-	Subsidiary

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
China Steel Express Corporation	CSE Transport Corporation	Panama	Dry bulk shipping business	316	316	10	100	4,170,795	136,875	-	Subsidiary
China Steel Express Corporation	Transglory Investment Corporation	Republic of China	General investment	2,440,000	2,440,000	411,610,257	48	2,790,784	1,214	-	Subsidiary
China Steel Express Corporation	Kaoport Stevedoring Corporation	Republic of China	Ship stevedoring	35,013	35,013	3,275,000	66	49,440	7,882	-	Subsidiary
Transglory Investment Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of steel structures	210,064	210,064	3,655,000	2	96,850	273,302	-	Subsidiary
Transglory Investment Corporation	Winning Investment Corporation	Republic of China	General investment	952,620	809,084	69,000,000	30	523,748	(15,109)	-	Subsidiary
Gains Investment Corporation	ThinTech Materials Technology Co., Ltd.	Republic of China	Manufacture and sale of sputtering targets	817,156	817,156	50,894,058	47	795,978	(2,372)	-	Subsidiary
Gains Investment Corporation	Eminence Investment Corporation	Republic of China	General investment	1,600,000	1,600,000	150,000,000	100	2,130,305	4,801	-	Subsidiary
Gains Investment Corporation	Betacera Inc.	Republic of China	Manufacture and trading of electronic ceramics	150,165	150,165	20,555,253	48	1,169,580	226,111	-	Subsidiary
Gains Investment Corporation	Winning Investment Corporation	Republic of China	General investment	989,664	989,664	112,700,000	49	855,455	(15,109)	-	Subsidiary
Gains Investment Corporation	Universal Exchange Inc.	Republic of China	Wholesale, service of IT software and electronic information services supply	170,432	170,432	10,533,713	64	132,509	19,738	-	Subsidiary
Gains Investment Corporation	Pro-Ascentek Investment Corporation	Republic of China	General investment	60,000	60,000	6,000,000	5	63,872	11,177	-	Subsidiary
Gains Investment Corporation	Eminent Venture Capital Corporation	Republic of China	General Investment	33,750	33,750	3,375,000	50	34,830	(11,483)	-	Subsidiary
Gains Investment Corporation	Mentor Consulting Corporation	Republic of China	Management consulting business	25,909	25,909	1,000,000	100	24,254	3,611	-	Subsidiary
Gains Investment Corporation	Fukuta Electric & Machinery Co., Ltd.	Republic of China	Motor manufacturing and selling	646,481	646,481	8,798,519	17	755,580	(38,285)	-	Associate
Gains Investment Corporation	Eminent III Venture Capital Corporation	Republic of China	General investment	400,000	400,000	40,000,000	22	246,178	(65,032)	-	Associate
Gains Investment Corporation	Honley Auto. Parts Co., Ltd.	Republic of China	Manufacture of automotive components	104,246	104,246	8,642,160	7	87,647	(47,976)	-	Associate
ThinTech Materials Technology Co., Ltd.	OmniGains Investment Corporation	Samoa	Holding and investment	274,710	274,710	23,168,349	100	571,049	2,210	-	Subsidiary
ThinTech Materials Technology Co., Ltd.	Thintech Global Limited	Samoa	Holding and investment	205,435	205,435	6,800,000	100	39,232	12,078	-	Subsidiary
ThinTech Materials Technology Co., Ltd.	Pro-Ascentek Investment Corporation	Republic of China	General investment	30,000	30,000	3,000,000	3	31,937	11,177	-	Subsidiary
Betacera Inc.	Lefkara Ltd.	British Virgin Islands	Holding and Investment	399,154	446,630	13,623,000	100	1,857,834	69,545	-	Subsidiary
Betacera Inc.	Eminent III Venture Capital Corporation	Republic of China	General investment	50,000	50,000	5,000,000	3	30,772	(65,032)	-	Associate
Universal Exchange Inc.	Pro-Ascentek Investment Corporation	Republic of China	General investment	20,000	20,000	2,000,000	2	21,291	11,177	-	Subsidiary
Pro-Ascentek Investment Corporation	Betacera Inc.	Republic of China	Manufacture and trading of electronic ceramics	77,278	77,278	1,608,491	4	110,635	226,111	-	Subsidiary
Pro-Ascentek Investment Corporation	Fukuta Electric & Machinery Co., Ltd.	Republic of China	Motor manufacturing and selling	-	986	-	-	-	(38,285)	-	Associate
Eminence Investment Corporation	Shin Mau Investment Corporation	Republic of China	General investment	9,513	9,513	896,999	30	15,469	1,940	-	Subsidiary
Eminence Investment Corporation	Gau Ruei Investment Corporation	Republic of China	General investment	8,805	8,805	747,499	25	15,098	(121)	-	Subsidiary
Eminence Investment Corporation	Ding Da Investment Corporation	Republic of China	General investment	8,970	8,970	897,000	30	13,708	740	-	Subsidiary
Eminence Investment Corporation	Chiun Yu Investment Corporation	Republic of China	General investment	7,475	7,475	747,500	25	13,101	224	-	Subsidiary
Eminence Investment Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	6,262	6,262	600,000	30	9,176	(3)	-	Subsidiary
Eminence Investment Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	5,317	5,317	500,000	21	8,669	1,402	-	Subsidiary
Eminence Investment Corporation	Chi-Yi Investment Corporation	Republic of China	General investment	5,222	5,222	501,000	25	7,712	(3)	-	Subsidiary
Eminence Investment Corporation	Jiing-Cheng-Fa Investment Corporation	Republic of China	General investment	4,762	4,762	476,000	21	7,375	523	-	Subsidiary
Eminence Investment Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	4,173	4,173	400,000	20	6,118	(3)	-	Subsidiary
Eminence Investment Corporation	Fukuta Electric & Machinery Co., Ltd.	Republic of China	Motor manufacturing and selling	23,521	23,521	186,000	-	25,148	(38,285)	-	Associate

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
Shin Mau Investment Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and GBFS cement, air-cooled BFS and BOFS, recycling of resources	5,454	5,454	512,685	-	12,617	671,000	-	Subsidiary
Shin Mau Investment Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of steel structures	5,619	5,619	341,896	-	9,009	273,302	-	Subsidiary
Shin Mau Investment Corporation	Hung-Chuan Investment Corporation	Republic of China	General investment	1,000	1,000	100,000	5	1,529	(3)	-	Subsidiary
Shin Mau Investment Corporation	Chi-Yi Investment Corporation	Republic of China	General investment	990	990	99,000	5	1,524	(3)	-	Subsidiary
Ding Da Investment Corporation	China Steel Chemical Corporation	Republic of China	Manufacture of coal chemicals and specialty chemicals, and production and sale of anode materials and carbon materials	17,404	17,404	474,220	-	15,134	374,438	-	Subsidiary
Ding Da Investment Corporation	Jiing-Cherng-Fa Investment Corporation	Republic of China	General investment	990	990	99,000	4	1,532	523	-	Subsidiary
Ding Da Investment Corporation	Betacera Inc.	Republic of China	Manufacture and trading of electronic ceramics	25	25	1,000	-	62	226,111	-	Subsidiary
Ding Da Investment Corporation	Universal Exchange Inc.	Republic of China	Wholesale, service of IT software and electronic information services supply	17	17	1,600	-	20	19,738	-	Subsidiary
Jiing-Cherng-Fa Investment Corporation	China Ecotek Corporation	Republic of China	Environmental and electromechanical engineering, Operation & Maintenance (O&M)	7,874	7,874	302,052	-	8,308	231,560	-	Subsidiary
Gau Ruei Investment Corporation	China Steel Chemical Corporation	Republic of China	Manufacture of coal chemicals and specialty chemicals, and production and sale of anode materials and carbon materials	17,584	17,584	474,220	-	15,134	374,438	-	Subsidiary
Gau Ruei Investment Corporation	Sheng Lih Dar Investment Corporation	Republic of China	General investment	1,000	1,000	100,000	4	1,735	1,402	-	Subsidiary
Gau Ruei Investment Corporation	Li-Ching-Long Investment Corporation	Republic of China	General investment	1,000	1,000	100,000	5	1,529	(3)	-	Subsidiary
Sheng Lih Dar Investment Corporation	CHC Resources Corporation	Republic of China	Manufacture and sale of GBFS powder and GBFS cement, air-cooled BFS and BOFS, recycling of resources	5,678	5,678	512,535	-	12,617	671,000	-	Subsidiary
Chiun Yu Investment Corporation	China Ecotek Corporation	Republic of China	Environmental and electromechanical engineering, Operation & Maintenance (O&M)	5,764	5,764	275,469	-	7,615	231,560	-	Subsidiary
Chiun Yu Investment Corporation	China Steel Structure Co., Ltd.	Republic of China	Manufacture and sale of steel structures	3,559	3,559	275,896	-	7,419	273,302	-	Subsidiary
China Steel Global Trading Corporation	CSGT International Corporation	Samoa	Holding and investment	631,983	631,983	20,740,000	100	913,419	61,637	-	Subsidiary
China Steel Global Trading Corporation	CSGT (Singapore) Pte. Ltd.	Singapore	Sales agent and trading of steel products	22,600	22,600	6,100,000	100	827,605	8,731	-	Subsidiary
China Steel Global Trading Corporation	Chung Mao Trading (Samoa) Corporation	Samoa	Holding and investment	127,847	127,847	8,800,000	100	310,790	5,283	-	Subsidiary
China Steel Global Trading Corporation	Wabo Global Trading Corporation	Republic of China	Sales agent and trading of steel products	11,000	11,000	5,236,000	44	48,245	6,182	-	Subsidiary
China Steel Global Trading Corporation	CSGT Trading India Private Limited	India	Sales agent and trading of steel products	240	240	48,000	1	239	797	-	Subsidiary
Wabo Global Trading Corporation	CK Japan Co., Ltd.	Japan	Leasing of real estate	37,488	37,488	960	20	43,270	7,144	-	Subsidiary
Wabo Global Trading Corporation	CSGT Japan Co., Ltd.	Japan	Sales agent and trading of steel products	10,160	10,160	800	100	21,725	(2,259)	-	Subsidiary
CSGT International Corporation	CSGT Metals Vietnam Joint Stock Company	Vietnam	Cutting and processing of steel products	253,595	283,758	13,279,770	60	380,414	73,244	-	Subsidiary
CSGT International Corporation	CSGT Trading India Private Limited	India	Sales agent and trading of steel products	22,784	25,494	4,752,000	99	23,623	797	-	Subsidiary
CSGT International Corporation	TSK Steel Company Limited	Thailand	Steel coil processing and distributing	84,621	94,686	408,000	34	207,186	-	-	Associate
CSGT (Singapore) Pte. Ltd.	CSCD SA	Switzerland	International trade and investment	117,348	123,113	1,876,795	49	791,951	(6,558)	-	Associate
CSC Steel Australia Holdings Pty Ltd	CSC Sonoma Pty Ltd	Australia	Mining investment	314,662	335,212	16,440,001	100	181,267	5,877	-	Subsidiary
CSC Steel Australia Holdings Pty Ltd	9404-5515 Quebec Inc.	Canada	Investments in mining industry	5,053,416	5,383,445	270,122,727	25	7,661,744	308,729	-	Associate
China Steel Asia Pacific Holdings Pte Ltd	CSC Steel Holdings Berhad	Malaysia	General investment	1,061,727	1,188,011	171,000,000	46	2,800,731	212,926	-	Subsidiary
CSC Steel Holdings Berhad	CSC Steel Sdn. Bhd.	Malaysia	Manufacture and sale of steel products	2,922,364	3,086,161	359,000,000	100	5,909,784	211,554	-	Subsidiary
CSC Steel Sdn. Bhd.	Constant Mode Sdn. Bhd.	Malaysia	General investment	5,018	5,299	750,000	100	7,386	139	-	Subsidiary

**TABLE 8****CHINA STEEL CORPORATION AND SUBSIDIARIES****INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE PERIOD ENDED JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 2)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025 (Note 1)	Remittance of Funds (Note 1)		Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2025 (Note 1)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of June 30, 2025	Accumulated Repatriation of Investment Income as of June 30, 2025	Note
					Outward	Inward							
Betacera (Su Zhou) Co., Ltd.	Manufacture and trading of electronic ceramics	128,920	2	128,920	-	-	128,920	45,854	100	45,854	724,828	-	Note 3(1)
CSGT (Shanghai) Co., Ltd.	Sales agent and trading of steel products	17,580	2	17,580	-	-	17,580	3,171	100	3,171	29,275	65,205	Note 3(1)
Changzhou China Steel Precision Materials Co., Ltd.	Production and sale of titanium and titanium alloys, nickel and nickel alloys	1,490,784	3	1,357,665	-	-	1,357,665	27,076	70	18,953	1,060,598	34,843	Note 3(1)
China Steel Precision Metals Qingdao Co., Ltd.	Cutting and processing of steel products	586,000	1	410,200	-	-	410,200	(16,958)	70	(11,870)	344,160	24,649	Note 3(1)
Changzhou China Steel New Materials Technology Co., Ltd.	Processing and sale of green mesophase powder	163,435	1	190,626	-	-	190,626	(7,767)	100	(7,767)	173,270	-	Note 3(1)
CSGT (Shenzhen) Co., Ltd.	Sales agent and trading of steel products	23,440	1	15,236	-	-	15,236	290	65	189	15,161	7,875	Note 3(1)
HC&C Auto Parts Co., Ltd.	Manufacture of automotive components	761,800	2	117,200	-	-	117,200	(16,628)	15	(2,557)	104,304	-	Note 3(1)
Suzhou Betacera Technology Co., Ltd.	Manufacture and trading of life-saving equipment for shipping and aviation	439,500	2	439,500	-	-	439,500	17,166	100	17,166	654,536	-	Note 3(1)
Shanghai Xike Ceramic Electronic Co., Ltd.	Manufacture and trading of electronic ceramics	35,160	2	34,984	-	-	34,984	3,121	100	3,106	319,418	-	Note 3(1)
China Steel Precision Metals Kunshan Co., Ltd.	Cutting and processing of steel products	439,500	1	470,558	-	-	470,558	(14,354)	100	(14,354)	407,650	1,102	Note 3(1)
Wuhan InfoChamp I.T. Co., Ltd.	ERP system integration services	5,860	2	5,860	-	-	5,860	2,366	100	2,366	21,816	168,203	Note 3(1)
Xiamen Ecotek PRC Company Limited	Sales agency for import and export of equipment and materials	175,800	2	175,800	-	-	175,800	569	100	569	176,817	-	Note 3(1)

Investee Company	Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2025 (Note 1)	Investment Amount Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 4)
China Steel Corporation	117,200	117,200	171,692,077
China Steel Chemical Corporation	190,626	190,626	4,467,459
China Ecotek Corporation	175,800	175,800	2,081,209
Thintech Materials Technology Co., Ltd.	1,357,665	1,357,665	-
Betacera Inc.	603,404	603,404	1,586,154
China Steel Global Trading Corporation	913,574	913,574	1,721,653
Infochamp Systems Corporation	5,860	5,860	546,070

Note 1: The amounts were calculated based on the foreign exchange rate as of June 30, 2025.

Note 2: Methods of investment are classified as below:

- 1) Direct investment.
- 2) Investments through a holding company registered in a third region.
- 3) Partial direct investment, and partial investments through a holding company registered in a third region.

Note 3: The basis for recognition of investment income (loss) is based on the following:

- 1) From the financial statements reviewed and attested by R.O.C. parent company's CPA.
- 2) From the investee company, which had not been audited and attested by independent accountants.

Note 4: As the subsidiary ThinTech Materials Technology Co., Ltd. has obtained the certificate of qualified for operating headquarters, which is due on October 10, 2025, issued by the Industrial Development Bureau, MOEA, the limit on investment in Mainland China pursuant to "Principle of investment or Technical Cooperation in Mainland China" is not applicable, while other companies, investments shall not exceed 60% of their net worth.

**TABLE 9****CHINA STEEL CORPORATION AND SUBSIDIARIES****MOVEMENT OF PROPERTY, PLANT AND EQUIPMENT  
FOR THE PERIOD ENDED JUNE 30, 2025 AND 2024  
(Amounts in Thousands of New Taiwan Dollars)**

For the six months ended June 30, 2025

	Land	Land Improvements	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Spare Parts	Construction in Progress and Equipment to be Inspected	Total
<b>Cost</b>									
Balance at January 1, 2025	\$ 69,888,142	\$ 6,169,969	\$ 143,120,130	\$ 737,739,986	\$ 32,287,353	\$ 19,671,954	\$ 9,785,959	\$ 40,575,553	\$1,059,239,046
Additions	-	-	10,515,969	5,906,421	292,734	405,594	717,533	64,656	17,902,907
Disposals	-	-	(49,337)	(6,054,393)	(119,226)	(189,371)	(660,267)	-	(7,072,594)
Reclassification	-	-	-	(19,059)	-	172	(7,638)	15,615	(10,910)
Others	-	-	-	-	-	(9)	-	-	(9)
Effect of foreign currency exchange differences	(2,306)	(17,330)	(677,478)	(2,697,787)	(1,252,866)	(80,356)	(6,137)	(4,902)	(4,739,162)
Balance at June 30, 2025	<u>\$ 69,885,836</u>	<u>\$ 6,152,639</u>	<u>\$ 152,909,284</u>	<u>\$ 734,875,168</u>	<u>\$ 31,207,995</u>	<u>\$ 19,807,984</u>	<u>\$ 9,829,450</u>	<u>\$ 40,650,922</u>	<u>\$1,065,319,278</u>
<b>Accumulated depreciation and impairment</b>									
Balance at January 1, 2025	\$ 6,370	\$ 5,098,762	\$ 77,161,525	\$ 542,989,921	\$ 15,224,310	\$ 16,917,201	\$ 4,207,459	\$ -	\$ 661,605,548
Depreciation	-	37,621	2,074,209	11,856,249	961,827	496,038	452,646	-	15,878,590
Disposals	-	-	(47,857)	(6,050,879)	(119,046)	(188,855)	(659,017)	-	(7,065,654)
Reclassification	-	-	-	(70,750)	-	-	-	-	(70,750)
Others	-	-	-	-	-	(9)	-	-	(9)
Effect of foreign currency exchange differences	-	(14,692)	(266,241)	(1,679,611)	(439,286)	(66,612)	-	-	(2,466,442)
Balance at June 30, 2025	<u>\$ 6,370</u>	<u>\$ 5,121,691</u>	<u>\$ 78,921,636</u>	<u>\$ 547,044,930</u>	<u>\$ 15,627,805</u>	<u>\$ 17,157,763</u>	<u>\$ 4,001,088</u>	<u>\$ -</u>	<u>\$ 667,881,283</u>
Carrying amount at December 31, 2024	<u>\$ 69,881,772</u>	<u>\$ 1,071,207</u>	<u>\$ 65,958,605</u>	<u>\$ 194,750,065</u>	<u>\$ 17,063,043</u>	<u>\$ 2,754,753</u>	<u>\$ 5,578,500</u>	<u>\$ 40,575,553</u>	<u>\$ 397,633,498</u>
Carrying amount at June 30, 2025	<u>\$ 69,879,466</u>	<u>\$ 1,030,948</u>	<u>\$ 73,987,648</u>	<u>\$ 187,830,238</u>	<u>\$ 15,580,190</u>	<u>\$ 2,650,221</u>	<u>\$ 5,828,362</u>	<u>\$ 40,650,922</u>	<u>\$ 397,437,995</u>



For the six months ended June 30, 2024

	Land	Land Improvements	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Spare Parts	Construction in Progress and Equipment to be Inspected	Total
Cost									
Balance at January 1, 2024	\$ 69,462,185	\$ 6,155,891	\$ 141,830,590	\$ 677,713,614	\$ 31,210,164	\$ 19,623,691	\$ 10,098,363	\$ 56,084,816	\$1,012,179,314
Additions	5,984	2,823	195,622	8,152,843	250,869	353,363	550,315	11,141,426	20,653,245
Disposals	-	-	(42,555)	(2,154,479)	(112,435)	(485,048)	(619,894)	-	(3,414,411)
Reclassification	(92,838)	-	130,083	(1,448)	-	(131,610)	(10,553)	(12,815)	(119,181)
Effect of foreign currency exchange differences	(986)	4,851	299,590	1,287,817	625,549	35,655	307	6,151	2,258,934
Balance at June 30, 2024	<u>\$ 69,374,345</u>	<u>\$ 6,163,565</u>	<u>\$ 142,413,330</u>	<u>\$ 684,998,347</u>	<u>\$ 31,974,147</u>	<u>\$ 19,396,051</u>	<u>\$ 10,018,538</u>	<u>\$ 67,219,578</u>	<u>\$1,031,557,901</u>
Accumulated depreciation and impairment									
Balance at January 1, 2024	\$ 6,370	\$ 5,016,757	\$ 73,208,185	\$ 523,871,057	\$ 13,369,152	\$ 16,616,468	\$ 4,481,983	\$ -	\$ 636,569,972
Depreciation	-	39,612	1,949,782	11,179,736	927,433	488,083	486,825	-	15,071,471
Disposals	-	-	(40,834)	(2,148,247)	(112,378)	(484,574)	(619,894)	-	(3,405,927)
Impairments	-	-	21,458	231,221	-	-	379	-	253,058
Reclassification	-	-	74,915	(2,200)	-	(73,326)	-	-	(611)
Effect of foreign currency exchange differences	-	4,030	109,910	728,762	174,878	30,197	-	-	1,047,777
Balance at June 30, 2024	<u>\$ 6,370</u>	<u>\$ 5,060,399</u>	<u>\$ 75,323,416</u>	<u>\$ 533,860,329</u>	<u>\$ 14,359,085</u>	<u>\$ 16,576,848</u>	<u>\$ 4,349,293</u>	<u>\$ -</u>	<u>\$ 649,535,740</u>
Carrying amount at June 30, 2024	<u>\$ 69,367,975</u>	<u>\$ 1,103,166</u>	<u>\$ 67,089,914</u>	<u>\$ 151,138,018</u>	<u>\$ 17,615,062</u>	<u>\$ 2,819,203</u>	<u>\$ 5,669,245</u>	<u>\$ 67,219,578</u>	<u>\$ 382,022,161</u>